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**VERBATIM REPORT**

**TUESDAY, MARCH 18, 1975**

**SPEAKER: THE HONOURABLE M. JAMES RUSSELL**

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

It is a pleasure for me to welcome to the galleries today from the Bell Island Vocational School twenty students, with their teachers, Mr. John Pinsent, Mr. Lester Rose and Mrs. Margaret Cheng, and from Harbour Breton, we have Mayor Aiden Mahoney and Deputy Mayor Mervin Chaplin and Councillor Stanley Hynes.

On behalf of all the honourable members, I welcome you to the galleries today.

STATEMENTS BY MINISTERS:

MR. SPEAKER: The Honourable the Premier.

HON. FRANK D. MOORES (Premier): Mr. Speaker, I would like to ask the House to join me in paying tribute to His Grace, The Most Reverend P.J. Skinner on the Twenty-fifth Anniversary of his Episcopal Ordination. Archbishop Skinner was born in St. John's on March 9, 1904, son of the Thomas B. Skinner, and Julia Lamb. In 1922 he entered Holy Heart Seminary in Halifax, and on May 30, 1929 was ordained to the priesthood at Charlesbourg near Quebec City. His Grace had a distinguished career on the teaching staff of Holy Heart Seminary in Halifax from 1929 to 1950, and during that period he entered postgraduate studies at Laval University. As well as being fluent in French, he is also well-known as a talented musician and organist. On March 17, 1950 His Grace received Episcopal consecration and his election as Archbishop of St. John's was announced on March 31, 1951. Archbishop Patrick James Skinner is the leader of over 90,000 Catholics and the thirty-nine parishes which make up his Archdiocese.

I know there are many other members on both sides of this House want to pay tribute to this great Newfoundlander. As Premier of the Province, I offer my congratulations to His Grace on this milestone of service to this beloved province.

MR. SPEAKER: The honourable Member for Fogo.

CAPTAIN EARL WINSOR: Mr. Speaker, we on this side of the House would want to join the honourable Premier in extending congratulations and best wishes to His Grace Archbishop Skinner on his celebration. Archbishop Skinner has made a great contribution to society and to the city especially and his talent is very well known, not only by his own denomination but by all class and creed of this Province. Archbishop Skinner is very widely known all over Newfoundland and Labrador and it is noted too, Mr. Speaker, that he on several occasions made frequent visits to Rome carrying the good wishes of this Province to His Holiness the Pope.

So, Sir, we join in extending special congratulations to Archbishop Skinner on this milestone in his career.

STATEMENTS BY MINISTERS:

MR. SPEAKER: The honourable Minister of Transportation and Communications.

HON. J. ROUSSEAU: I would like to make a statement, Mr. Speaker, as acting Minister of Public Works and Services. Based on a study carried out for government in 1973 by the Bureau of Management Consulting, Department of Supply and Services with the Federal Government in Ottawa, and subsequent updating by the Department of Public Works and Services, it has been determined that the Government of Newfoundland and Labrador will require up to 400,000 square feet of additional office accommodation in St. John's by 1980. This space will be required to alleviate overcrowded conditions in Confederation Building, to replace existing substandard and in poorly located office space in other areas of the city and to provide for projected expansion in growth of government services during the next several years. In view of this requirement public tenders are being invited for rental proposals to provide up to 400,000 square feet of office accommodation in the immediate St. John's area, the first 100,000 square feet being required by

December 31, 1976 and the remainder by 1980. These specifications are attached with the public notice to the statement. The Department of Public Works and Services has also been requested to prepare an up to date estimate for the construction of a government owned building to provide similar accommodation. When tenders are received the comparison will be made to determine which is the most economical procedure to implement.

PRESENTING PETITIONS:

MR. SPEAKER: The honourable Minister of Industrial Development.

HON. W. DOODY: Mr. Speaker, I take pleasure today in presenting a petition to the honourable House on behalf of the residents of Kitchuses in that great historic District of Harbour Main. Kitchuses is a rather small community in that district with a great tradition of independence, one of the few fishing villages left in that area and a community that has been self sufficient for a great many years. The residents of Kitchuses are asking that the road to their community be paved. Last year it was upgraded and I think that this is probably the first attention that the road has had in a great many years. This year they hope that rather than let the good work that was done last year be wasted or perhaps lost by erosion and weather that the Department of Transportation and Communications find their way clear to pave the road to Kitchuses.

So, this letter, which is signed by the Deputy Mayor and most of the councillors of the Town of Conception Harbour of which Kitchuses forms a part, is also signed by the majority of the residents of that community and I ask that it be tabled in this House and sent to the department to which it relates.

MR. SPEAKER: The honourable Member for Labrador North.



MR. WOODWARD: Mr. Speaker, we on this side of the House support the prayer of the petition that was presented by the junior Member for Harbour Main - it is the junior Member for Harbour Main, is it the junior Member for Harbour Main? Seeing that the Minister of Transportation and Communications is in his seat, no doubt he noted the prayer of the petition, we only hope that the minister in his wisdom will find sufficient funds to do the road that the people are requesting.

MR. SPEAKER: The honourable Minister of Transportation and Communications.

HON. J. ROUSSEAU, Minister of Transportation and Communications: Well, Mr. Speaker, it is not too often you support these petitions but, of course, all the petitions that come to the House for pavement, reconstruction, upgrading of roads, we would, all of us in government, would like to be able to stand up and support it and say it is going to be done. But everything cannot be done in one year. I know in this particular instance, as in many other instances, the minister has brought this to my attention and this request, as with all other requests that may come in the ensuing months while this House may be open, or ensuing years, will certainly be given every sympathetic consideration in the department. So I would personally like to lend my support to this particular petition.

AN HON. MEMBER: Yes or no?

MR. ROUSSEAU: No, I do not know yet.

MR. SPEAKER: The honourable Member for Bonavista North.

MR. THOMS: Mr. Speaker, I would like to present a petition on behalf of 1,119 residents of the communities of Gambo, Dark Cove and Middle Brook.

The prayer of the petition, Mr. Speaker, is that the government allot funds for the construction of a new elementary school. In presenting this petition, Mr. Speaker, and wholeheartedly supporting it, I would like to present a few of the facts to this Assembly this afternoon.

We have at the present time, up to grade eight we are housing our something like over 900 pupils in three different buildings. All three buildings are at least twenty-five years old and the conditions within these buildings are not at all what one would expect in this day and age.

AN HON. MEMBER: How old?

MR. THOMS: Twenty-five years old.

Mr. Speaker, the buildings are of the old type. All three of them started with two room classrooms and as new classrooms were needed they were built on. So that the three buildings at the present time just looks like a box added onto a box.

The wiring in these buildings are all exposed. They are not covered up whatsoever. As a matter of fact, in one of the schools I found recently there was bare wiring. This indeed was very dangerous.

In one school we have three different furnaces to supply the heat for the one school. These furnaces, of course, are built in the centre of the building and if ever a fire took place then we would indeed have a tragedy on our hands.

We have overcrowded conditions in the schools. In one of the schools we have to have two rooms, one, we have eighty-three pupils in one room with two teachers, and in another room we have seventy-five pupils in the one room. The different classes are just partitioned off with either a curtain or a portable board on wheels.

These conditions, Mr. Speaker, are not at all what one would expect at this time in our age. In one of the schools, Mr. Speaker, I noticed the school itself, because of a very poor foundation, was down in the centre. The main door and apparently the foundation had collapsed and water was running in on the floor and the school teacher had to take an axe and to cut a hole in the floor so that the water could run down.

The fear of the people in the Gambo area is that some of the teachers which we have at the present time, and we have

some of the best teachers in the province, that under these conditions the teachers will be encouraged to leave our community and go elsewhere. We, in these communities, would indeed like to hold on to some of our teachers.

I trust, Mr. Speaker, that this government can find fit to allot finances to the board which has its headquarters in Gander so that funds can be made available for this school. It is a school building that is long overdue and our people have been very patient, very patient indeed in waiting for this construction, and I sincerely trust that construction will be forthcoming within the very near future.

I would also point out, Mr. Speaker, that our people have been willing to wait in the past but I am not so sure that they would be willing to wait four or five or six years as was suggested by the school board. I believe that

funds would have to be made available, and this building would have to be built within a reasonable period of time. So, Mr. Speaker, I would like to present this petition to the House, place it upon the table of the House, and have it referred to the department to which it relates.

MR. SPEAKER: The Hon. Minister of Education.

HON. G. OTTENHEIMER (Minister of Education): Mr. Speaker, the honourable gentleman and four members of the local school committee of the Gambo - Dark Cove area were in my office this morning and presented me with a copy of the petition, and we discussed in general the matters pertaining to schools in the area. As the honourable gentleman knows, of course, that while operating grants go to boards, capital grants in this province go to the denominational authorities apart from where we do deal with boards directly as in Eskimo and Indian schools, and there is a different arrangement there. As he will recall, and as I now inform honourable members, I did undertake to meet within the next several days with the denominational authorities concerned to see that they had a copy of the petition, which they might have already, I do not know, and certainly to discuss the matters referred to in the petition and in our discussion this morning.

MR. SPEAKER: Are there any other petitions?

The Hon. Leader of the Opposition.

HON. E. M. ROBERTS (Leader of the Opposition): Before we go on on the other petition, may I say a word in support of the petition presented by my friend and colleague, the member for Bonavista North. I think he made a very full and very complete case in presenting the petition. I do not need to add to that. I would like to say that we on this side hope that the process which the Minister of Education described will produce some concrete results. It is a matter of record and regret that the government have not provided enough money to enable these school boards, the D.E.C.'s to meet the needs for new school construction in this province.

We will have a great deal to say about it at the appropriate time, Your Honour, during the debate on the education department estimates. Suffice it to say that the story of the school in the Dark Cove, Middle Brook, Gambo area could be repeated in many communities throughout this province. It is a clear indication of the fact that the government of this province must cease to shirk their responsibilities, and must accept them. They must provide enough money to enable the D.E.C.'s, the church authorities, to provide our people with the schools they need and they deserve.

NOTICE OF MOTION:

HON. T. A. HICEMAN (Minister of Justice): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, a bill, "An Act Further To Amend The Summary Jurisdiction Act."

ORDERS OF THE DAY:

On motion that the House resolve itself into Committee of Supply, Mr. Speaker left the Chair.

MR. CHAIRMAN (Mr. Stagg): Order, please!

Heading VI - Education, .601-01.

MR. CHAIRMAN (Mr. Stagg): The Hon. Minister of Education.

MR. OTTENHEIMER: Mr. Chairman, I am very pleased that this year we have made sure that the Department of Education estimates will in fact be considered by this committee, because as honourable members may recall, last year they were not considered, and it certainly is important that they be examined and debated by honourable members of this House.

SOME HON. MEMBERS: Hear! Hear!

MR. OTTENHEIMER: The government

have taken absolute assurance to make sure that that in fact does happen this time by calling this item first. What I plan to do in a few brief opening remarks is to outline and comment upon what I consider to be, and what the government considers to be, the most important overall areas, and what we regard as accomplishments in the field of education, and to leave the specific, particular considerations until we get to those areas in the estimates. In other words speaking of for example, the university in general when we get there, the college of trades when we get there, the school for the deaf, that type of thing, but in the opening remarks to endeavor to give an overview of what we consider to be the most important matters and matters of expenditure and matters of policy.

First of all I would like to speak up on the capital expenditure for this year with respect to general school construction. So, I want to speak first of all on the capital expenditure. Now, in the capital expenditure, a total amount of \$22,604,500 has been voted. It is voted under four general headings. One - and I will come back and go through each individually - one, the regular capital expenditure vote. Two, the vote for DREE schools. Three, the equalization under DREE, and four, educational services for native people, Eskimo and Indian people. So, we have four votes under which the capital expenditure is allocated, because sometimes this is not clear to honourable members. They see one vote and they regard that as the entire capital vote in education for school construction.

So, I will repeat it again. There is \$10 million in the vote called building and equipping of schools. Under educational development DREE, which is also building and equipping of schools, but schools under the DREE agreement, the amount is \$8,888,500. The equalization grant with respect to DREE comes to \$2.7 million, and capital construction for schools for Eskimo and Indian boys and girls is \$1,016,000.

Once again, the total in capital construction under those four headings is \$22,604,500. Not infrequently people take one vote only of the capital construction, that \$10 million one which is called building

and equipping of schools, and forget about the remaining \$12.6 million which is also for building and equipping of schools, \$2.7 million of it for equalization, \$8.8 million for DREE schools and \$1,016,000 this year for schools for Indian and Eskimo children.

Under the one of building and equipping schools, this is a vote of \$10 million. It will be recalled that last year this government announced a programme that from the period 1974-1975 to 1984-1985, \$120 million would be made available to the denominational authorities for distribution to school boards for school construction. That was done on an escalating plan of \$10 million for the first two years, \$11 million for the second two, \$12 million, \$13 million and \$14 million. This is how over the ten year period the \$120 million was realized.

Last year's period obviously is paid and we are now thinking of the period of 1975-1976 to 1984-1985. In other words, for that period commencing this year there is \$110 million or there was \$110 million guaranteed on this escalating basis for school boards.

AN HONOURABLE MEMBER: How much?

MR. OTTENHEIMER: \$110 million up until this budget. This year, however, an additional \$25 million was added for that period. The first payment of that additional amount will be in 1977-1978. I believe a couple of days ago the honourable member for Hermitage stated that he wished that that amount, that \$25 million which is now made available within the next ten year period, was in fact available in this current year. As a matter of fact, I believe he said that. He pointed to the needs of the school boards and the facts of inflation and stated that he was disappointed that it was not, and believed that it should be available this year, at least as I recall his remarks.

The first payments are in 1977-1978, the first payments on that. So, what in fact has been done is that from the period from now until 1985 the total commitment has been raised from \$110 million to \$135 million, an additional



\$25 million in terms of government commitment for expenditure has been made unequivocally for that period. The first payment on it does not come due on that additional amount until 1977-1978 but it is quite and obviously clear that an additional \$25 million within the next nine years has been made available under this particular vote for capital construction.

And, I think, Mr. Chairman, while honourable gentlemen, one already has stated, and others well may say that that \$25 million should be available this year, and that would turn our \$22 million into \$47.6 million then. We are now spending \$22.6 million altogether under this vote and the others. And if were to add that \$25 million as has been suggested, and no doubt will be suggested, then obviously that will be a great amount of money.

But certainly the government are very pleased to have been able to make available within the period between now and 1985, and to have made a commitment to that effect, to the knowledge of the School Boards, and the D.E.C.'s and the entire general public, that an additional \$25 million is available under this vote for capital construction during the next ten year period and the beginning of 1977-1978.

Now that in general accounts for that one portion of the capital expenditure, the \$10 million. As honourable gentlemen know this goes to the Denominational Educational Committees in terms of their percentage of the population and then is distributed by them to their boards in terms of their own educational needs. And just to repeat what we have done there is that we have added \$25 million within the nine or ten year period, but the first payments on that additional amount not beginning until 1977. Now that explains \$10 million of the \$22.6 million.

The next largest amount is, of course, for school construction, exactly the same thing, school construction under DREE. And these are schools being built under a DREE agreement, and these schools will finalize that particular agreement, and these are schools negotiated by the present administration. There are eight of them. So that amount of \$8.8 million for school construction is for the following schools



built under the federal-provincial DREE agreement and in co-operation with the school boards. They are Mount Pearl, a Junior High School which will serve approximately 500 pupils, and it is due to open next September; Stephenville High School, which will accommodate approximately 1,000 pupils and is due to open next September as well; the Port Saunders High School, which will accommodate approximately 300 pupils and due to open next October; Gander High School, accommodating approximately 500 pupils, is due to open next October; Corner Brook High School, to accommodate approximately 700 pupils, due to open next September; Stephenville Crossing Elementary School, serving approximately 600 pupils due to open next September; St. Lawrence High School, to accommodate about 400, to open next September; and the St. John's West Elementary School due to accommodate 700, and also expected to open in September. So that accounts for the \$8.8 million, in the total capital expenditure.

The next area we have is the equalization under DREE, and an amount of \$2.7 million has been voted this year. This is a part of a five year equalization programme which will amount to approximately \$16 million.

AN HON. MEMBER: Inaudible.

MR. OTTENHEIMER: Sixteen million dollars.

AN HON. MEMBER: How much?

MR. OTTENHEIMER: Sixteen million.

So we have not only the commitment, the additional commitment, and we are thinking here of the future, for the next ten years, the additional \$25 million with \$110 million, bringing it up to \$135 million, we also have a five year programme under DREE equalization totalling approximately \$16 million, and \$2.7 million of it is in this year's budget. I should say that this results - the identification of the amount, the precise amount, the method of arriving at it, and the formula for payment over a five year period - has resulted from negotiations between government and all the denominations concerned

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and that we have the concurrence and agreement of all denominations  
with respect to this equalization.

I imagine honourable gentlemen are aware of the general principle of equalization and that is that, let us say, at the end of the DREE agreement the total amount spent in particular boards, for which it would be spent, may not correspond to the percentage in the population of that group because the criteria for DREE schools were not provincial or school board criteria, were not local criteria, so to speak, but were part of the former DREE agreement. So there was a general agreement of equalization and there have been meetings between government and all of the denominations concerned in which government put forward its position that it was prepared to equalize the total expenditures on DREE schools based on most recent estimates available, and they could fluctuate a small amount, obviously, the next few years, that government was prepared to equalize the total expenditure excluding, of course, the portion which had to be repayed by the denominations to the government and that, I think, is twenty per cent in the first agreement, ten per cent on the second agreement. But there was concurrence by all of the denominations with respect to that programme of equalization in terms of amount, in terms of how it was calculated and in terms of the time period over which it would be done, and that is five years.

So that accounts for the capital expenditure for school construction or the equalization of DREE funds of \$2.7 million this year, which is the first of what will finally be approximately \$16 million under that equalization programme.

That is three of the areas of capital construction and the fourth one that I would like to refer to is - in the estimates it is called capital expenditure and I believe it says Eskimo and Indian education or whatever it is called, in short term there.

AN HONOURABLE MEMBER: Innuit.

MR. OTTENHEIMER: This year we have \$1,016,000 voted in that

under that subhead of capital expenditure for schools, for educational services for native people. Last year, and this is a very interesting comparison, last year the amount was \$587,600. It is approximately doubled. It is a little bit less. I am not quick at mathematics, but it is about doubled.

AN HONOURABLE MEMBER: Inaudible.

MR. OTTENHEIMER: Pardon?

AN HONOURABLE MEMBER: Inaudible.

HON. T.A. HICKMAN: That was a grant that was available for years and nobody in the previous administration every heard of it, remember that?

MR. OTTENHEIMER: What we are saying here is that we have approximately -

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN (Stagg): Order, please! Order, please!

MR. OTTENHEIMER: We have approximately doubled the capital expenditure for schools, for Eskimo and Indian children and -

AN HONOURABLE MEMBER: Inaudible.

MR. OTTENHEIMER: Well, the honourable gentleman says we should triple. I suppose somebody else could say we should quadruple, quintuple, and do all kinds of things. I think it is very significant that this administration has, I think that is very significant, not that we have not tripled it, or have not quadrupled it or have done various things with it, but I think it is significant that we have, in fact, just about doubled it and certainly it shows this government's awareness, I think, and interest in and dedication to the development of education facilities for people of Labrador and for our native people.

I am going to give a rough breakdown of that amount and the figures are rounded out. It could add to a little bit more or a little bit less in that \$1,016,000.

AN HONOURABLE MEMBER: Inaudible.

MR. OTTENHEIMER: I can give you the heading in the book. It is under VI. education, and it is a small heading, right, 616, actually it refers to 616-03-04 and the heading there is called

AN HONOURABLE MEMBER: Inaudible.

MR. OTTENHEIMER: No, my mistake. 95. 616-03-05 and it is called shorthand in the Eskimo and Indian capital, the \$1,016,000.

AN HONOURABLE MEMBER: Inaudible.

MR. OTTENHEIMER: Right there. Page 37. So I am going to give a breakdown of the expenditures of that \$1,016,000. Construction of a teachers' residence at North West River, \$60,000 - As I say these are approximate figures - \$60,000; A major extension - I should say construction of teachers' residence, North West River, that is for the Roman Catholic Board, that is \$60,000 - A major extension to the Labrador East Integrated School at Makkovik and this major extension is a resource centre, craft room and additional classrooms, \$200,000; for the school at Nain, also the construction of the resource centre, a craft room and additional classrooms, \$200,000; a one room extension to the school at Rigolet, \$50,000; for the school at Davis Inlet, three classrooms, a gymnasium and teachers' residence, \$360,000; teacher's residence at Black Tickle, \$40,000; and two additional classrooms with mobile home at Conne River, of course in Labrador, but Conne River, the native people there, \$106,000.

So that essentially makes up the \$1,016,000 under that particular vote of the capital construction and that is the fourth one and the only one to which I am referring. I am not talking about any capital construction in other areas, university or that, but for our school system. Right.

AN HONOURABLE MEMBER: Inaudible.

MR. OTTENHEIMER: Yes. \$106,000, yes, additional classrooms and mobile home at Conne Rive, \$106,000.

AN HONOURABLE MEMBER: \$106,000.

MR. OTTENHEIMER: \$106,000, yes. So, as I say, that is the breakdown of the four votes which give the expenditures for capital construction of schools. So, I think that that is fairly clear,

at least I trust it is.

Now, since I was mentioning some matters of, I am aware, particularly of interest to honourable gentleman from Labrador North and no doubt of other honourable gentlemen from Labrador and from elsewhere, I am off capital construction now and in a sense I am on to something different, but since it is related to education of native people, I think it is probably a good context in which to put it in. This is the heading if anybody wishes to look at it.

As I say I am not going through all of the headings now but to pick out what I consider to be most important parts, sure evidence of the thrust of this government, in a sense, priorities and what we consider to be our main areas of development. That is what I am endeavouring to do, not to go through each subhead by any means. That would defeat the whole purpose of it. But if somebody does want to watch it in the estimates, this is the heading 616-03-04, I think it is the one just above the one I was speaking about before, and this is Indian and Eskimo education, but this is not capital. This is programme, programme oriented.

Now, what I want to point out here, that we have an amount here of \$397,200 and I believe the amount last year and the honourable gentleman has the page open, I do not, was \$197,500. So, there is approximately again, a doubling there. Now, I want to explain what this is for. This is for a programme content, not the total, but this is programme content for education for schools, Indian and Eskimo children. It is in addition to, naturally, and quite distinct from capital expenditure, but I should point out as well, this is not always understood either, that it is completely separate from and totally in addition to the regular operating grant of so much per student. This is something quite separate from it. Basically, this is the breakdown

for the expenditure of that amount. Operating costs for educational services for the basic is this: The operating costs for educational services or increased amount there for Indian and Eskimo children in Labrador, and there is also a certain amount for the Indian children in Conne River, that is one general category, and the second one is for new adult education programme in the same areas.

Now, looking at the first one, the educational services for children, before the adult education one, as honourable members probably are aware, teachers' aides have been used, not teaching aids but teachers' aides, people, people who speak both languages Indian and English. Teachers' aides have been used at Davis Inlet and at North West River for some time, at least the past year or two and perhaps longer, to assist in overcoming the language problem for Indian children and from the advice we have this has been a worthwhile endeavour and should be continued and indeed should be developed. So we

are certainly continuing and hoping to develop that programme of teachers' aides for Indian children in Northwest River and Davis Inlet. We are also this year going - this is why this vote has doubled - we are also going to a new programme to employ teaching teachers' aids and people, teachers' aides also in the schools of Nain, Hopedale and Makkovik.

MR. MURPHY: Would the honourable minister permit a question?

MR. OTTENHEIMER: Yes.

MR. MURPHY: (Inaudible)

MR. OTTENHEIMER: No, in the Indian schools, there are a number of children whose knowledge of English -

MR. WOODWARD: Have no knowledge.

MR. OTTENHEIMER: Have no knowledge of English and some with a very slight. These are people who help translate for the English speaking teacher to the Indian speaking children until they get the facility that is necessary. One of the real problems, of course, has been that we have not had come back into the system residents of the area who have gone on, and who then could come back and instruct in English and in Indian concurrently. Naturally, this would be the ideal and hopefully this will develop. But until that has happened, then certainly using people as teachers' aides, partially as interpreters and partially helping people overcome the language barrier, and it has proved very successful in the Indian schools. We are going to start it in the Eskimo schools, where I do not think the problem is as acute, but I think it is still an area where this will be of benefit. So we will be putting that programme for Eskimo children in Nain, Hopedale and Makkovik starting next September.

Now also we are planning to develop an arts and crafts programme in those three communities, Nain, Hopedale and Makkovik. We are also investigating the possibility and the need of teachers' aides at Conne River. We have to make an assessment to see whether that



would, in fact, be beneficial. As I think honourable members know, starting last September, the Department of Education employed for the first time a consultant in native education. That young lady has been visiting the school boards and meeting with numerous people over the past number of months. I think it will be, really, June, I think a person needs sort of a full year of operation before one can make an assessment and see what developments should come from that programme and etc. Also under this amount are certain programme improvements for the schools at Mud Lake and Black Tickle. That is all in the first part, and that is programmes for children.

We are also allocating out of this amount \$75,000 for an adult education programme in Labrador with special reference, but not exclusive reference, to the needs of native people, and I say with reference, but not exclusive reference to the native people, and also with planning to develop adult education facilities in the Conne River area. I have gone into these at some detail now, because obviously we realize what an extremely important area of this one Province Labrador is. Some years ago, a fair number of years ago, I had the pleasure of actually going there fairly frequently in the course of a two year period, and I have not been able to do that recently.

AN HON. MEMBER: You had the good fortune.

MR. OTTENHEIMER: I had the good fortune, yes indeed, and I said that before, and made many friends there, and a number of them, although I do not see them that often, I still regard them as friends. It was a very, very exciting and challenging and worthwhile period. So certainly this government recognizes the educational needs of Labrador, and we recognize the tremendous importance of that part of the Province to the future of the entire Province and of all its people, and I think we are committed to doing everything humanly possible to develop facilities and resources there, and to help if one wishes to integrate or bind together the peoples of the two parts of this one Province. I have gone into it in some detail as well because, as honourable members know, the Royal Commission Report on Labrador, which was an extremely comprehensive document, comprehensive in -

MR. WOODWARD: You should get the Premier instead of building a tunnel out in the Straits to fill the Straits in.

MR. OTTENHEIMER: Well, I am not sure that that would be totally possible.

MR. HICKMAN: Did you ever think of the ecological affect that daming the Straits might have -

MR. WOODWARD: No, I did not.

MR. HICKMAN: - on the Gulf of St. Lawrence?

MR. WOODWARD: Joining together, you know -

MR. OTTENHEIMER: So, Mr. Chairman, since the year when honourable members had received the Report of the Royal Commission on Labrador, and since honourable members, no doubt, have not read all of it, at least read those parts of immediate interest and reference to them, I thought that it would be interesting and important to indicate the Department of Education's response, and nobody claims, obviously, that this solves all the problems, etc. Nobody would be so foolish to claim that or indeed to expect it. But certainly I think it is worthwhile and significant developments for educational facilities in the area.

Now I have dealt with the capital expenditures, and then I have since ended up on the Labrador portion of capital expenditure. I went into that area of educational programmes in Labrador. Now what I want to do now is to get back to another very important heading, and that is the operating grants. We have covered the capital grants, and these are the operating grants for school boards. Now this is the money which is sent out to all the school boards of the province and on a per capita basis depending on the number of students they have is what it comes to. Now here, I perhaps better open this, because here if we are to be fair in what we are speaking about, there is an explanation I will have to make, otherwise we will be talking about apples and oranges, and usually one does not get too far when one does that. Right.

I am speaking here about the operating grants which are under 605-03-02, which is the heading I am speaking on now, and again not to go heading to heading because this is part of the very guts of the financial provisions of the department. As I say, this is based upon

a per student grant. Now starting in April, because we are dealing with fiscal years which take, in part, two academic years, the amount of \$17.8 million will be available for operating grants. Now here is where I have to make an explanation so that we know exactly what we are talking about. Some people might say, my, he is optimistic today, but anyway that is what I am going to attempt to do so that others will understand what I am talking about. Now it is not that difficult, it is just that it has to be made. So this year, \$17.8 million under operating grants. Now that represents a twenty-one, call it twenty, it is easier to work with, twenty to twenty-one, a twenty per cent increase in the per pupil allocation throughout the province, a twenty per cent increase. Now I have to explain that because if you look at the column opposite, which says revised 1974-1975, you will see the amount of \$16.7 million, to round it off, and obviously there is not a twenty per cent difference between \$16.7 million and \$17.8 million. That is why it is necessary to explain it. That \$16,670,000, to be exact, is made up of the following: \$14,750,000, which was voted last year for last year's operating costs, which allowed approximately \$80.00 per pupil to each of the school boards. Now again, that \$80.00 that is the basic amount. There are other factors built in which have not changed this year, which I will review later. But I am talking about the basic allocation for operating grants on a per student basis.

Last year, and you do not see it in your estimates, and I will explain why in a minute too, \$14,750,000 was voted under operating grants, whatever it is called, and this allowed us to spend \$80.00 per student. Now this year we have \$17.8 million which allows us to spend \$100.00, and that is where we get the twenty per cent.

This is why I have to explain, what happened from the \$14.7 million, to the \$16,670,000 which is in your estimates, this is what I have to explain. This is what it is. It is the payment last summer of \$1.6 million which was for a deficit the previous year, 1973-74. It had nothing to do with the per pupil allocation of \$80 per pupil last year. It had nothing to do with that. It was to cover up an operating deficit for 1973-74, that is the bulk of the \$1.6 million and then there was \$320,000 which was the amount for the bonus of \$250 to non-professional, janitorial and custodial people.

The point I wish to make is that whereas last year we spent \$80 per pupil, the operating grant which is so much per pupil to each school board was \$80 per pupil, this year it is \$100 per pupil. So there is a twenty per cent increase in the per pupil allocation under this vote. I think that is clear. I had to explain that other thing, if not there would appear to be a discrepancy between the additional amount going out per pupil, the additional twenty per cent, and the twenty per cent would not jibe with the figure here. The reason it does, of course, is because of that \$1.9 million which went in, which was not related at all to per pupil allocation. I think that is as clear as I can make it anyway.

AN HON. MEMBER: Inaudible.

MR. OTTENHEIMER: Right. Right. Exactly yes. Exactly, and that is where the discrepancy here, not the discrepancy, the reason for this that the figure of this year is not twenty per cent above last year is the \$1,920,000, that that is the vote under which it was added in the revised estimates. It had to go somewhere and that is where it went.

MR. ROWE: Why was it \$1.9 million.

MR. OTTENHEIMER: Well \$1.6 of it of course, as I said, \$1.6 of it was paid for the operating deficit the previous year, 1973-74, and \$320,000 of it made up the \$250 bonus that certain janitorial and custodial employees of the department got. So the fact of it is that this year the allocation shall be \$100 per student, per pupil and

I should say, and I said it before, that where we were speaking of those special programmes, for example, Indian and Eskimo, you know, that is an addition to this. This is a province-wide formula and I should have said, just to backtrack a moment, I should have said that the programmes for Indian and Eskimo, capital construction operating grants, are of course federal-provincial programmes where there is ninety per cent and sixty -

MR. WOODWARD: How much is it now to the different boards?

MR. OTTENHEIMER: I have given it to you by project but I have not added them up for the different boards. I have given it to you per project but I have not added it up. The honourable gentleman is probably better at addition than I am. At least he has more to add.

MR. DOODY: He is certainly good at multiplication.

MR. WOODWARD: Inaudible.

MR. OTTENHEIMER: So we have the \$100 per student. Now I should say, so that honourable members will know, that there is another component to that. There is another component to that, just to complete the record, this component is not a factor. What I wanted to do is to show where we went from \$80 per student last year to \$100 this year, but there is another component in that allocation and that is \$1500 for every specialist teacher and that includes music, physical education, industrial arts, art, home economics. There could be others these are the ones that come to mind.

Then there is an additional \$7 per pupil for resource material, essentially library, but there could be other kinds of resource materials too. So when you are talking about \$100, really it is \$107 but that \$7 is for resource material. Then there is \$10 per pupil for those pupils who are in special education classes. That is just to round it out so there will not be a hiatus there. Right?

Well we have covered capital expenditures and operating expenditures, I would like to say just a few words on the government's policy with respect of free text books. As members of committee are aware, when this administration came into office, and indeed until last

year, free text books were provided for pupils in from kindergarten to grade III, both inclusive. Now, last year we expanded the free text book policy to include grades four, five and six and this brought in an additional approximately 44,000 young boys and girls, indeed their families, 44,000 pupils were getting free text books as a result of our programme of free text books last year. This year we have developed that programme to include grades seven and eight in free text books, and that will include an additional 28,000 pupils, so between last year and this year free text books available to 72,000 kids who did not have them previously.

AN HON. MEMBER: Hear! Hear!

MR. WOODWARD: Inaudible.

MR. OTTENHEIMER: I can get that. I do not have it and it is very difficult to calculate, although it can be done, because the books are frequently used for, say, three years, there might be a deposit on them, they bring them back to the schools, very difficult to calculate.

Mr. Speaker, I would like to say a few words as well on the pre-vocational programme which I think is something of real value.

MR. HICKMAN: Well that is good.

MR. OTTENHEIMER: The honourable Minister of Justice is in favour of that.

MR. HICKMAN: That is a monument to your administration of the Department of Education.

MR. OTTENHEIMER: Thank you. Thank you. I must say I am blushing. I am blushing.

MR. WOODWARD: Inaudible.

MR. HICKMAN: Tell us about it.

MR. OTTENHEIMER: There are approximately now 4,000 students engaged in pre-vocational work in twelve centres across the province and, up until 1973, I believe, up until 1973 this pre-vocational programme was offered at one centre only, that in Seal Cove, and there were approximately 400 pupils involved.



In 1973 we added, September 1973, the school year 1973, we added Bell Island, Placentia, Bonavista, Gander, Springdale and Goose Bay and last September, September 1974, we added Port-aux-Basques, Clarendville, Lewisporte, Baie Verte and St. Anthony. So there are approximately 4,000 young men and women involved in the pre-vocational programme which certainly I think is a very constructive move.

MR. HICKMAN: Explain it.

MR. OTTENHEIMER: Because as honourable gentlemen know there are a fair number of young boys and girls whose interests are not exclusively, perhaps even primarily, academic, schoolish or bookish in the traditional sense and this is a fact of human nature and it is something that is neutral, it is neither good, bad or indifferent. Different people have different aptitudes and different interests and different abilities and the old snobbish attitude, absurd and ridiculous attitude, that only those who have what we call some kind of, you know, academic prowess, were those who deserved as much as possible from the educational system. That naturally is absurd and is untenable in any kind of an enlightened society of any democracy and certainly unacceptable to a vast majority of thinking people.

So through this programme we have endeavoured to involve at least 4,000 young men and women, most of them not really boys and girls, young men and women, in this kind of programme.

MR. MURPHY: Does that mean Sir, that a high school student could do grade eleven and also take some time -

MR. HICKMAN: That is right. Right. The way in general it works is that so much time per week, it may depend on the area and the particular programme because they are not necessarily all identical, depending on the situation, distance, etc., these young men and women will come to a district vocational school and spend so many hours there in some particular course. This has proved to be very worthwhile.

Now obviously there is a problem, as in everything there is a problem, and that is that in some areas it is impossible to do it

because the vocational schools are used maximally, they are already in full use, and in other areas it has been impossible to do it because there is no vocational school nearby or within reasonable distance. Some schools are industrial crafts, home economics, craft training and this can help to fill the gap. But the fact remains, and we have to be frank about it, we have to recognize it, that in some areas boys and girls cannot participate in this kind of a programme because either vocational schools there are filled, or there are not any vocational schools around to which they can go.

Now what we are hoping, and this will depend upon the concurrence of the federal government and their DREE programme, I will make that clear, but the



executive secretaries of the Denominational Educational Committees, in short the D.E.C.'s, and I have met on a number of occasions to examine and to develop and then eventually, and I am pleased to say, we did agree upon a programme that we could put to DREE to ask for their involvement. Because under the general area agreement signed by this administration, as honourable members know, there was no reference for DREE schools, the regular school construction. But there was reference in the area of human resource development in that context.

So after a few meetings with the D.E.C.'s there was agreement upon a programme which the Minister of Intergovernmental Affairs, responsible for Intergovernmental Affairs, will be pursuing with the federal government in an effort to get a DREE concurrence. And what it is essentially is this that there would be in certain designated, in certain areas, the addition of pre-vocational wings to existing high schools. These will be planned and built by the government, the Department of Education, in consultation and in close co-operation with the school board authorities. The facilities will be planned in such a way that there will be no duplication by denominations, and also that these would be accessible to all pupils. In other words, if in a certain community if such a wing were added to one high school, then it would be under the administration of that school board but it would be accessible to students of all school boards. The facilities would be owned and operated by the school board to whose building it would be attached, but would be accessible to all students in the area, and that the school boards would work out an equitable sharing of operating costs. School boards would be required to find ten per cent of the cost of these facilities and the remainder hopefully will be part of a programme, if we get the federal government's concurrence.

Now these new facilities would have two basic purposes. While they would add pre-vocational, where they would have the pre-vocational option and opportunity for day school students, they would also be used in the evenings, weekends, and as much as possible as manpower community centres. At present there are upgrading programmes run jointly by the federal Department of Manpower and the various

vocational schools, College of Fisheries etc. These upgrading programmes, and although they are in a number of areas, there are a lot of people who have to come to one or two designated areas to do that. Now if we had these additions to existing high schools they would serve obviously the pre-vocational purposes for the students in those high schools but would also serve as manpower centres for upgrading, for various forms of community education, adult education etc. It also resulted from the discussion held over a period of some time with the D.E.C.'s that the - and this was agreed upon by all - that this principle of equalization would not apply - that as far as possible they would be reasonably apportioned from that point of view - but that the principle of equalization would not apply and that decisions would be made on the basis of, you know, maximum use or efficiency and they would be accessible to all people in the area.

Now that would I think - the acceptance and participation of the federal government in this programme - would be a very significant step. The Minister responsible for Intergovernmental Affairs, I believe, recently discussed this and assured me that he is going to pursue it with his customary vigor and, of course, all we can do really is wait and see what the result will be. Hopefully Ottawa, the federal government, DREE will participate in this because it is a programme certainly designed around human resource development, it is not an exclusively, if you wish, academic programme. All I can say is that this government certainly hopes that we will have the concurrence of Ottawa in that programme.

I would like to mention also what I consider to be one of the highlights and the most important developments of the past year, a very recent development but one which with great potential for the future, and that is the entry by Newfoundland, and the signing by Newfoundland of an Inter-provincial Agreement with the other Atlantic Provinces for the education of the handicapped. I was pleased to sign that in late January with the Ministers of Educations of the other Atlantic Provinces during a meeting of the Council of Ministers in Toronto. And it provides for the government in the development of the Inter-provincial School for the Deaf at Amherst, and the School for the Blind at Halifax. Each

province is entitled to three directors on the board. And, of course, in certain areas of education for the handicapped it is well nigh impossible for any of the individual provinces to provide all of the services or facilities that are necessary, especially in the area of multi-handicaps in the area of education for the blind, and this is something which the four provinces worked together on for quite some time, and which came to fruition last January, and which I am sure will turn out to be of great value to the young people of this province, and no doubt of the other provinces as well.

As honourable gentlemen are aware last year this administration announced a three year pupil-teacher allocation programme, a three year pupil-teacher allocation programme, an overall programme which would be phased in in three years. The first phase of it became operative in the academic year just started, last September 1974. Now the second year will start next September, and the final year the September after. But as the budget indicated appropriation has been made for Phase (2) of the teacher allocation programme, and this essentially this year has two components. Two-thirds of the specialist teachers for special and expanded programmes will be added, in other words, last September one-third, and next September the second third. That will mean approximately 200 additional specialist teachers. And the other component is the other part which is operative next September, is the introduction of thirty-five additional supervisory personnel. So that is Phase (2) of the teacher allocation programme which was explained in detail last year, and the second part of which becomes operative quite soon.

With reference to student aid, and there is a specific heading on that so I will not go into any great detail, but as honourable members will probably recall that the Council of Students Union, the C.S.U. made a brief to the government some time in December. Indeed the honourable Member for St. Barbe North was there as well when the students had a meeting up there. There were three recommendations in it. The first one essentially means that there be an upward revision of the total amount of entitlement no matter, you know, how it is made

up, that with inflation, with cost of transportation, the purchase of books, the purchase of clothing or whatever it happens to be, that there be a re-examination of that. This has happened and will happen, and certainly that request has been met - that kind of identification of amounts is done partially by the Canada Student Loan Plan themselves and partially by a committee comprising the provincial government, the university, and the Canada Student Loan Plan people, and that has been done.

The third recommendation - the second I suppose is the most important - but the third recommendation requested that the period before repayment of loans, and before the interest would accrue, would be extended from six months to twelve months. Now with that, that is totally in the hands of the federal people. However I did, I certainly personally, and I think the government as well agrees with that suggestion, you know, from six months to twelve months - they should have a twelve month period - that does not mean that they could not exercise a six month option or any shorter option if they were successful in getting employment and wanted to start paying back. But that there should be the

possibility of going to twelve months without having to make payments and without interest accruing. So, I wrote the Chief of Guaranteed Loan Administration, the Department of Finance, Ottawa to that effect, pointed out the request of the students, and said that on behalf of the government I was recommending it. He wrote back to the effect that this would be on the agenda of what he calls the next plenary meeting which I think is being held in about a month's time. So, we will not know until then.

Of course the main thrust of their request was, the simplest way to put it is the application to students of all years of the programme which has been in effect for first year students and that is that no one would be required to borrow more than \$450, or the people would borrow up to \$450, and then they would get their entitlement to grant. That is essentially what it is.

As honourable gentlemen know it was announced by the Minister of Finance in the budget this request has been implemented and it is now government policy that students in all years will operate under the same programme which was operative last year for first year students. That is that no one will be required to borrow more than \$450 per semester for their entitlement to grant.

Just a few other matters, Mr. Chairman. As honourable members know there has been some public discussion, etc. lately with respect to residence facilities for people presently attending the College of Trades and Technology. As honourable members know as well, when the polytech is fully operative, or even phase one is operative, certainly there will be residence facilities there. The point was made by a number of students. Even when the polytech is fully operative or phase one is operative or all phases are operative, that the place now known as the College of Trades and Technology will obviously continue to have a large number of students, many of them in apprenticeship courses. Most of those are six week courses, and, of course, a number in pre-employment courses as well. They recommended and asked us to re-examine the possibility of residences contiguous to that particular building.

During the past few days we have studied that and reviewed it and indeed we agree that there should be residence facilities contiguous to that area, because even when the polytech is fully operative with its own residences, naturally there will still be students there, some in apprenticeship courses and some in pre-employment courses, and they come from vast areas because in some particular fields that institution is and will continue to be perhaps the only one in the province giving certain apprenticeship courses. In some other areas - no, there might be two, right, Corner Brook for the West Coast and St. John's for the East Coast. So, there is no doubt that there will be a number of students from various parts of the province continuing to attend in apprenticeship and pre-employment.

So, we have agreed that there is a need to it, and we will do everything possible to fulfill that as soon as we can. There are a number of things which have to be done and of which plans have been set in motion. That is, of course, the final planning of the facilities, then the financial arrangements, the possibility of doing it through CMHC, - even late this morning we had a preliminary discussion with CMHC, preliminary in the sense that at this time some years ago there was some discussion with them - the possibility of CMHC, if that does not work out, then the other financial possibilities. So, there is a need to finalize the plans, to make the financial arrangements, and also, of course, land acquisition. Because it would seem the most appropriate place would be on land which is now owned by the College of Trades and Technology but which is not quite large enough. So, there is further land contiguous to that owned by private citizens. So, necessary steps will have to be taken to acquire the land contiguous to what is now owned by the College of Trades and Technology. This we hope and we plan will result in a residence for approximately 250. Plans are going ahead, steps have been taken, for the planning, the finalization of the planning of it, for the financing of it and the land acquisition of a certain amount of land anyway. As I say, a certain amount is already available.

Just a few words, Mr. Chairman, because under the heading



university I plan to - obviously that would be the place to discuss the university. I should say for honourable members' benefit that this year I shall be announcing, within the budget for the university, the budget for all the various departments of the university. In other words, under your operating account, \$31 million - I believe it is the amount - I shall be giving the budget for each and every department within the university. This is something which to the best of my knowledge has never been done before, and I am very pleased it is being done because I certainly agree that when so much money is involved, and it is public money, then certainly this kind of a break down of expenditure is necessary.

I just want to say one word, not in any detail on the university, but just with respect to a matter of some major importance in the development of the educational policy of this government, and that is with respect to the Regional College at Corner Brook. In this past year or two - well, not so much the past year, the past two years more so, has been the subject of some misinformation basically. Anyway the anticipated enrollment next year, the opening in September, and it is just about completed now or close to completed, the anticipated enrollment next year, say 450 in round figures, this will be made up of first year arts and science students, regular first year students, second year art students, then a broadly based extension programme. Now, for certain students taking certificate courses at the College of Trades and Technology or the College of Fisheries, for certain students taking certain certificate courses at either of these two colleges, arrangements are being made whereby perhaps their first year could be done at the Regional College. There have been discussions and negotiations between the regional college and officials of those two colleges and the Department of Education in that respect.

Also I would like to point out that the Department of Education is planning to inaugurate a course in secretarial science at the district vocational school in Corner Brook. We have a co-operative venture there with the Regional College in that certain courses will

be given at the Regional College. So, certainly it is far more than, and far different from, uniquely or exclusively academic institutions. Apart from the first year arts and science, apart from the second year arts, there will be a broadly based extension adult education programme. There will be co-operative ventures for certificate students from the two colleges, Trades and Technology and the College of Fisheries and also the co-operative venture in terms of the division of the District Vocational School at Corner Brook. The number of faculty that they plan to have out there next year is between thirty and thirty-five.

Mr. Chairman, I would like to just briefly indicate some of the developments in the area of adult education, because I think this is a very important area and one in which gigantic strides have been made. There was some exchange of question and answer a few days ago with respect to Stephenville. What I want to do is repeat, and make totally clear now, what our policy is. I said then, and I say again, that within a week or ten days I expect to be in a position to announce a director of Community and Adult Education, whatever the specific title is, for that area. We view community colleges, not as new buildings, new campuses, mortar, bricks, concrete, steel, we view community colleges as the development and improvement and expansion of already existing educational programmes and of ones to come given by all the many agencies, by the Department of Education, by university extension, by any other agency of government, by private voluntary organizations, etc. That is what we view as community colleges, the development and improvement of educational and in a certain context social services and not mortar, bricks, etc.



Now, as honourable gentlemen are perhaps aware as well, recently, or several months ago, Mr. William Shallow was appointed Director of Adult and Continuing Education for the Province. He works under Mr. Pike who is the Assistant Deputy Minister for Vocational and Continuing Education. I would like to point out some of the rather quite startling, I believe, figures with respect to adult education enrollment in the province during the past couple of years. For example, there are adult education courses going on, these are under the Department of Education, in 104 communities of the province. I know honourable gentlemen would not wish me to read them all out, but I have an alphabetical list here and it goes from Allan's Island to Western Bay, a truly remarkable - I will just read through ten or fifteen in the alphabetical order and one will get the sense of its comprehensiveness. I will just read the first ten.

Allan's Island, Badger, Baie Verte, Bay Roberts, Bellburns, Bell Island, Benoit's Cove, Bishop's Falls, Bonavista, Botwood, Brig Bay, Brownsdale, Buchans, Burgeo, Burin, Burnt Islands. I think that is more than ten, but it is the end of the "B's". So, these courses are in 104 communities. Now, academic students total 3,400. Now, there are some in an upgrading and a fairly basic level, of course, some in intermediate and quite a number in high school, a large percentage, a large number would be in high school. So, out of those courses going on in 104 communities, there are 3,400 academic students. Now of the non-academic students there are 5,300. Just to give some of the ideas of what I mean by non-academic courses - typing, physical education, a programme for blind adults, although that could be called academic, a new math for parents, metric conversion. These are some of the areas of non-academic.

So, we have 5,300 people involved in these non-academic courses for a total of 8,700. Now, here is a startling thing. Three years ago there were 3,000 people in all these courses combined. Three years ago there were 3,000 people and today 8,700. So, while the mere additional of numbers is obviously not a significant factor

in itself, it certainly shows that these programmes have been developed. It shows the real need in this area and it shows, indeed, the receptivity and response of people when needs are felt.

Quite apart from that, in the craft training area of the department, this would be instructional things, like sewing, weaving, crocheting, etc. There are 131 courses in sixty-five communities with 1,400 students. So, if you add in the craft training, you have a total of 10,100 under various adult education programmes, academic, non-academic and craft training sponsored by the department. It is in addition, of course, to other areas.

There is just one other area in which I think it important that honourable members know, just to give an overall view of the department's work, and that is you may recall that a year ago, January, 1974, the department for the first time got involved in an equivalency testing programme whereby people who for whatever reason had left high school and who had not completed whatever grade they wished, either at any of these night schools where hundreds are doing it, or through upgrading or through any other manner, but wished to do it through writing exams for these equivalencies, that was made possible in January, 1974. So, the first full year of that operation ended last December. It was designed, as I say, to give adults who for one reason or another did not complete high school education and who have not been able or have not wished to do it through night school or upgrading or any other manner, to do so.

Now, during that year, ending in December, there were twenty-seven testing sessions in eleven different centers throughout the province. They are quite broadly based, too. The eleven centers are Burin, Churchill Falls, Corner Brook, Gander, Goose Bay, Grand Falls, Harbour Breton, Labrador City, Rushoon, Springdale and St. John's. So, in those eleven communities, 650 people wrote the tests and 74.5 per cent were awarded Grade XI equivalency diplomas. Some of the others would have been awarded perhaps a Grade X or Grade IX equivalency diploma in some cases, but at least 74.5 per cent were awarded the Grade XI

equivalency diploma, not that a diploma necessarily means that much, but it can in terms of employment opportunities, in can in terms of a prerequisite for entry into certain courses, it can. And some of these prerequisites, like people often say, why do you have these prerequisites for this trade or that trade and in many, many cases we have nothing to do with it, It is the trade or the union or the craft or the association or federal regulation or any number of things which set the requirements. This equivalency diploma is recognized by all institutions in the province.

The average age - of course, the averages do not mean much - but anyway the average age out of the 650 people writing the test was twenty-nine years old. The oldest person was fifty-six. The age break down is quite interesting. Perhaps I will go through it. There are only 650 and they are broken down here in fairly good categories. There were ninety people nineteen years old, 210 people between twenty and twenty-four, 146 people between twenty-five and twenty-nine, ninety-three between thirty and thirty-four, forty-seven between thirty-five and thirty-nine, thirty-nine between forty and forty-four, eighteen between forty-five and forty-nine and seven between fifty and fifty-nine. It certainly shows that there is quite a wide age spread there. I think it has been a programme which has been of some considerable benefit to a great number of our citizens.

Well, Mr. Chairman, I have endeavored during these few minutes to outline what I consider to be some of the major points of development, both financial and in terms of capital expenditure, in terms of money, but also in terms of programmes and educational quality. I look forward to the comments of other honourable gentlemen. I have not spoken about school taxes cause - I have not spoken about them, but I am certainly willing to, if necessary. We have heard so much about school taxes. I have a sneaking suspicion, a very, very sneaking suspicion that the honourable member for St. Barbe North will perhaps tell us that we should abolish school taxes and have everything paid for out of the public treasury.

AN HONOURABLE MEMBER: That is the way it should be done.

MR. OTTENHEIMER: That is the way it should be done? The honourable

member for Labrador North is not in disagreement with his colleague. He says that that is the way it should be done. Quite apart from their various philosophical arguments, the different ways, but that would be an additional, let us say, \$10 million soon. If we were then to put in the \$25 million which is available between now and 1985 in to this year, that would be \$25 million and we would already be up, after not even getting after the minister's salary, we would already be up about \$35 million. If we had all the millions, sure, it would not be hard to spend them. I think myself what we have to do is approach these and all matter with a sense of responsibility. If there were an additional \$35 million or \$55 million or \$185 million, I am sure, I know, I could think of a number of ways in which it could be spent. I have no doubt my colleagues could think of them as well.

What I think we have to recognize is, quite obviously what I think this budget does recognize, and what I think the Department of Education estimates recognize, that is the great importance of the development of educational facilities, the great importance of our youth and of our young men and our young women, and the importance of our vocational and adult programmes, the importance of all of these programmes. In a year of high inflation, of escalation of costs, with every school board, not only in Newfoundland, every school board in Canada, except Alberta, they will be told that school boards are going to have great difficulty, they are in financial straits, financial straits on capital. They are in debt. We know they are in debt. They are going to have difficulty with the current accounts. Every school board in Canada, to the best of my knowledge, except those in Alberta and some in Ontario, is in a very difficult financial position, every municipality practically in Canada and throughout North America, and indeed every provincial government except Alberta. I think we have, certainly in a year of inflation, in a year of escalation of costs, I think in the budget on the whole and in the estimates of expenditure for the Department of Education in particular, have done a realistic and worth-while budgeting which will allow for the continued development of educational facilities in this province.

On motion 601-01, carried.

MR. F. ROWE: Mr. Chairman, I would like to comment and make some opening remarks with regard to the education estimates. I can quite honestly say, Mr. Chairman, that I was more than disappointed with the minister's opening remarks. We will get into some detail later when we consider the individual estimates. But, Sir, we were terribly disappointed on this side of the House, because the minister simply did not tackle or grapple with the major financial problems facing education in this province today at all levels. Sir, we were not sitting in this Chamber or in this committee, waiting to hear the minister read off lists of how many people were taking weaving or anything else. We wanted some rationalization for this particular budget in the area of education. Now we wanted the minister to explain and try to articulate how his department and his government are grappling with the problems facing education.

Now, Sir, on budget day, much was said about \$232 million for education in this province. The Minister of Finance suggested that this was almost as much as the total budget for the province when he delivered his last budget speech in 1969. Now, Sir, you can use figures anyway you wish, but we can go back, and we can look at the records, Sir, and we can compare the estimates of the Department of Education over a number of years with the records of the estimates of the Department of Education during this Tory or P. C. Administration. Sir, we get a shocking revelation when we compare the rate of increase of expenditure of the previous administration with that of the present one in the field of education. Sir, if we look at the last term of the last Liberal Administration, from 1966-1967 to the year 1971-1972, we see in absolute figures smaller numbers voted for education. But, Sir, it did go from 1966-1967 from \$39 million to \$68 million in 1967-1968, and then \$72.6 million in that next year, and \$78.3 million the following year, and \$91.7 million the following year, and \$115.7 million in the last year of that administration. Sir, that represents a percentage increase

for the Department of Education in that last term of that administration of 192.2 per cent, a percentage increase of 192.2 per cent. Sir, in this term of office, of this present administration, the education budget went from \$131 million in one year, 1972-1973, to \$149 million, to \$182 million, to \$215 million, not \$232 million as was suggested by the Minister of Finance, and I will give my reasons for that later.

But, Sir, in the current term of this administration, we have seen an increase from their first year in office to this present year, in the fourth year, of only 63.8 per cent - 63.8 per cent increase in the vote in education, the education department, 63 per cent for the P. C. Administration as compared to 192.2 per cent for the Liberal Administration. Now, Sir, some people might say I am using six years and comparing it with four, okay. Sir, if we look at the first four years or the worst four years - I can make it better by looking at the last four years of the previous administration - but if we look at the first four years of the previous Liberal Administration compared with the first four years of this administration, we will see that the increase, the percentage increase for the Department of Education was 98.2 per cent, 98 per cent, as compared to 63 per cent for this administration. So, Sir, this administration and the various Ministers of Education and the present Minister of Education have a long ways to go to compare with the records set by the previous administration.

Now, Sir, I am making comparisons because this administration so far in this session has spent too much time in making comparisons with the previous administration. I think it is only right that when we are dealing with estimates that we make real comparisons, not a long list of adjectives and adverbs to describe the previous administration but a list of facts: a 192 per cent increase in expenditures in education in the last term of the Liberals, 63 per cent so far for this administration, But if you are comparing the first four years, 98 per cent for the Liberals and 63.8 per cent for the P. C.'s in their first four years. Sir, this to my mind represents a slowdown or a retrenchment or certainly an austerity to a certain degree, certainly a lowering of priorities, and a lack of



leadership on the part of this government and the Department of Education in the field of education, when we compare the growth rate of expenditures of the two administrations.

Sir, this is quite common throughout the province, for people to say that there is a lack of leadership in the field of education with respect to this administration. I have heard it coming from many, many people and the reason, Sir, is because of the fact that relatively speaking, on a percentage basis, this administration is not providing the growth rate in education in dollars that was experienced in the years from 1966 to 1972, during the previous administration.

Now, Sir, another thing that I took exception with was the impression that this administration is on its own spending \$232 million in the field of education. The true facts, as reflected if you look at the end of the estimates in education, are that this administration is spending on its own a maximum of \$215.1 million as compared to \$232 million as the claim. Sir, this represents the true picture of the provincial expenditure.

Now, Sir, I submit that what the Minister of Finance was doing, the Minister of Finance when he referred to the \$232 million, was that he was trying to cover up this decrease in the rate of expenditure in the field of education by his own administration, and he was using the figure of \$232 million to do that. Then, of course, he used the catch trick, the catch phrase, of saying that this represented almost the entire budget of 1969-1970. Sir, we will not be fooled by this playing with figures, and neither will the people of Newfoundland, and neither will the school boards, and the university, and the vocational schools, and the College of Trades and Technology, and all the people who are looking towards the government for leadership in this field and assistance.



Sir, this is why we take some exception to such praises of these expenditures. Now, Sir, this is \$232 million which is not realistic. It is not the true picture. These expenditures are especially vital to the future of this Province and demonstrates this administration's dedication to the provision of equal educational opportunities for all Newfoundlanders. The expenditures reflect a multitude of recently improved programmes.

Sir, that is playing loose with the truth to say the least, Sir, when they were using the figure \$232 million when it should have realistically been \$215 million. Now, let us look at, Sir, this so-called \$232 million spent in the field of education. Sir, if you look at it very carefully, and since the minister took pains to read out this to this committee, Sir, I will take some pain to point out to the committee where the money is coming from. Sir, if you look carefully we see that \$187 million comes from the Federal Government for student aid, \$500,000 comes from the Canada Pension Plan, \$8,880,000 comes from DREE for educational development, \$3,016,000 - I am rounding off some of these figures - comes from DREE for capital expenditure, \$190,000 is the federal contribution for bilingual education, \$840,000 comes through manpower training for the College of Trades and Technology, \$7,750,000 comes from the Federal Government through manpower training for the vocational schools, \$2 million for manpower training for the Fisheries College, \$262,000 from the Federal Government for Indian-Eskimo education, and \$674,000 from the Federal Government for Indian and Eskimo capital expenditures in education.

Sir, that totals \$24,307,000 coming directly from the Federal Government to this Province for expenditure in education and stated right here in the Budget Speech we have the fact that these expenditures demonstrate this administration's dedication to the provision of equal educational opportunities for all

Newfoundlanders. Sir, another approximately \$2 million comes from related revenue, such as recovery of loans and fees and this sort of a thing. That is another \$2 million that is not coming directly from the Provincial Government and, Sir, we had \$11.7 million coming from expenses voted in other departments. I grant you that that is spent in the field of education and is coming from the Provincial Government in some cases and in some cases from the Federal Government. But, Sir, if you total the total Federal Government involvement of \$24.3 million and related revenue \$2 million and expenses voted in other department \$11.7 million or \$11.8 million, you get about \$38 million.

So, if you want to play with figures, Sir, you could say we have an educational budget, an educational budget from this Provincial Government of \$194 million, not \$232 million.

So, Sir, we do not want to hear the kinds of quotes that I just mentioned that was read in the Budget Speech. Now, Sir, the Minister of Education, Mr. Chairman, is quite able and ready, I assume, to defend himself, defend anything that I have to say. He does not require any assistance from the Minister of Transportation and Communications who would be better occupied up on the Northern Peninsula seeing if he can straighten up some of the roads there, Sir.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Now, Sir, I remained silent, Mr. Chairman, and my colleagues during the Minister of Education's comments and I would expect the same thing from honourable members on the other side of the House.

Now, Mr. Chairman, let us look at teachers' salaries. I have picked out, Mr. Chairman, approximately seven or eight areas that I intend to concentrate on during my preliminary remarks here and then we can deal with the details when we come to them in the individual votes or estimates for the department, but I

have picked out seven or eight major areas, coincidentally enough, not mentioned, in most cases, by the honourable Minister of Education.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Mr. Chairman, and the first one was a comparison of the rate of increase of the education budget during the good, old Liberal years, Sir, and during the present P.C. years on a percentage basis, a relative basis, not in absolute figures.

Now, Sir, the other point that I want to make is these matters relating to teachers' salaries. Sir, in 1974-75 the vote for teachers' salaries was \$77 million and this year the vote was \$97 million, therefore, an increase of \$20 million for education. Now, Sir, there are a couple of things that puzzle me here. One is that the Minister, not of Education, but of Finance, in his Budget Speech, and I would wish the Minister of Education to try to explain it to this committee, Sir, explain that some of this money would go towards the implementation of the new programme for the pupil-teacher allocation. That is twenty-five students to every teacher and he suggests, the Minister of Finance, that there would be an additional 200 teachers this year with a total of 864 teachers by 1978 at a cost of \$20 million.

Now, Sir, I cannot quite understand that. Now, I know there are other related programmes but if you work that out, which I did, this comes out to something like an average of \$23,000 per teacher. I mean, how does this work? Does the Minister of Finance say that 200 new teachers this year for a total of 864 teachers by 1978 - now, does he mean a total accumulated 864 teachers or are we to have 864 new teachers in 1978 and say 600 in 1977 and 400 in 1976 and 200 in 1975, this year?

MR. CROSBIE: (First part inaudible) Since we are just starting the estimates, Mr. Chairman, just seeing how we can best manage it. Now, Beauchesne at page 201, section 239 says, "The whole management of a department may be discussed in a general way when the Committee

of Supply is considering the first resolution of the estimates of that department, which reads as follows: 'General Administration'; but the discussion must not be extended to any particular item mentioned in the estimates of that department." In other words, as long as there is a breakdown after the general heading, you can have a general discussion of the department but where there is particular specific items in the estimates, and there is one for teachers' salaries, that the detailed discussion of that should wait until that item comes up. Otherwise, it is pretty unmanageable to conduct the discussion on it.

So, I would suggest, Mr. Chairman, that on the first item you discuss the whole management of the department in a general way but when there are particular specific things that are being questioned and there is an item in the estimates where you can do that, that the honourable gentleman should wait until that item comes up because there is a specific item, teachers' salaries, and then it is easier. We all know what is being discussed. I would suggest that was the best procedure.

MR. ROWE: Well, Mr. Chairman, to that point of order.

MR. MURPHY: Inaudible.

MR. CHAIRMAN: I recognize the Minister of Social Services.

MR. MURPHY: I just want to say, Sir, that I have been in the House for a great many years and we decided that was the better way to do it. Otherwise everybody would go over and over and over the same item and item and that was always agreed at the time of committee that a few words would be said on the administration of a department. Then anything that is covered by an item, we would wait until that item was called and then we would go into that. I think, Sir, if we are going to get any sense out of the thing, I think it is the only practical way to do it.

MR. ROWE: To that point of order, Mr. Chairman, Well you know Beauchesne is Beauchesne, but we have been quite flexible with this particular rule over the years that I had the honour of serving in this particular House and -

MR. MURPHY: Quite a flexible rule.

MR. ROWE: And, Mr. Chairman, if my memory serves me correctly, we did have rather lengthy discussions and even get into some detail during the considerations by mutual agreement. The minister would get up and make his statement and the spokesman for education, or whatever department was under consideration, would get up on the Opposition side and make his statements however long, And I would submit, Mr. Chairman, by dealing with these particular broad headings, although I have to use specific examples to make my point, that it will shorten up the consideration of the estimates when we go through them. Because having made my point here, my broad point using specific examples, I certainly do not intend to get up and repeat myself on that same point later on in the consideration of this particular estimate.

So I submit, Sir, if I cannot use examples, specific examples, to prove a broad point, there is nothing to talk about.

MR. CHAIRMAN: I am not sure the honourable member is completely correct there. It is true that the House can consent to do practically anything. If honourable members agree to discuss

specifics when he should be discussing generalities then the Chair has no objection to it although the Chair, if necessary, will call his attention and will rule upon it.

Now the honourable the Minister of Fisheries has risen on a point of order that is quite valid. The Member for St. Barbe North was speaking on a specific item and there was an objection made. So the Chair has no alternative but to agree with the Minister of Fisheries that his point is correct. However, I must also point out that the Minister of Education when making his presentation did refer to a number of specifics as well. So if objections are going to be made by any members of the House, they should be made no matter who is speaking. So I must agree with the Minister of Fisheries and if necessary will continue to agree with anyone who brings up the point and probably will enforce it fairly rigidly myself.

MR. ROWE: Thank you, Mr. Chairman. I was operating under the understanding that - I was not sleeping on my rights in this respect - I was just operating under the assumption that we were going to do the same thing on both sides of the House.

MR. CHAIRMAN: I would like to make one further point here that since the consideration of the estimates is not as it previously was, in previous years, if honourable members recall there was no time limit but where there is a time limit I think it is necessary that the rule of relevancy would have to be more strictly enforced than previously because otherwise honourable members would be given the opportunity to discuss things twice and quite probably might run out of time, as it has been known to happen.

MR. ROWE: Thank you, Mr. Chairman. Now I leave it to the Chair to bring me to order if I get too specific in making my broad points, Mr. Chairman. Now where was I?

Teachers' salaries. The point that I was trying to make, Mr. Speaker, was this, although we have a \$20 million increase, we cannot understand why the new teacher-pupil ratio allocation

is going to cost \$20 million by 1978. In fact, that is not an item in the Budget, come to think of it. It was mentioned in the Budget Speech, Mr. Chairman. So when the minister replies I would appreciate some clarification on that point.

But the other thing, Sir, that we find a little bit disturbing is that once you take the yearly increments of the teachers into consideration, and you take the increased qualifications of the teachers into consideration, and you take the increased number of teachers going into the teaching field into consideration, Sir, one wonders what is going to be left over for any increased wage requests by the teachers.

Now, Sir, I do not want to anticipate any negotiations that are going on with respect, you know, between the government and the teachers, but we do have collective bargaining. Even if this \$20 million was all allocated for an increase in teachers' salaries, what the government is telling the teachers is that the maximum increase they can get is two-point-six percentage increase. You take the \$20 million and you compare it with the total allotment and the increase over last year, and we see that the maximum increase the teachers' salaries can get is two-point-six percentage.. It has got to be something less than that, Sir, because we have to take the increased qualifications of the teachers into consideration, the yearly increments and the increased number of teachers going into the teaching field.

So, Sir, it is obvious that the vote for the teachers' salaries will not meet the request for increase in salaries in order that the teaches may meet the high cost of living and get a fair return for the cost of their own education and for the high responsibility that their jobs entail.

So, Sir, one asks really whether or not there is a need for collective bargaining under the circumstances, when the Budget practically



tells you the maximum amount that can be made available for the teachers in the way of wage increases. Sir, it is one of two things; either the amount has to be contained in the \$20 million thereby telling the teachers approximately what increase they can expect which has to be something less than twenty per cent, or money has to be found somewhere else.

So the only other place you could find it, Sir, is by bringing in a mini budget, probably after the election, if, of course -

MR. DOODY: Do you know something that we do not know.

MR. ROWE: Oh yes, Sir, yes, Mr. Chairman. I have heard all about the polling captains getting their guns ready by the deadline which was March 15, all the polling captains.

AN HON. MEMBER: Inaudible.

MR. ROWE: I realize that is quite irrelevant, Mr. Chairman, but I am being provoked and drawn off course.

MR. DOODY: Inaudible.

MR. ROWE: Now, Sir, if we want to make a comparison again of what this administration has done for the teachers as compared to the previous administration, we can see it very clearly. During the last administration the salary votes for teachers went from \$19.7 million in 1966-67 to \$46.4 million in 1971-72. Sir, this represents a percentage increase from the first to the last year of that administration of 135 per cent.

MR. MURPHY: You do not talk percentages in salaries.

MR. ROWE: Sir, the Minister of Social Services knows very well that the dollar bill at that stage represented a different thing than the dollar bill today. Sir, during this administration we have seen an increase in the vote from \$55.7 million to a total of \$97 million, \$55.7 million to \$97 million which represents an increase of seventy-four per cent, a

135 per cent increase compared to seventy-four per cent for this administration, Sir. Sir, I mentioned this because it was this administration who cultivated the teachers, or which cultivated the teachers, Mr. Chairman, to the extent that they believed - cultivated to the extent that they believed that they would be expecting great things from this administration in way of salaries. And facts speak for themselves when we make comparisons of the percentage of increases in teachers' salaries.

Now, Sir, with regards to school construction, which the Minister of Education referred to, I have a figure here of \$21.6 million for capital grants. And as the minister indicated this is broken down to \$8.8 million for the completion of schools through DREE, and \$2.7 million to the denominations as part of a \$16 million five year programme to equalize the DREE grants during the period of 1970 to 1975.

Now, Sir, there are a couple of things that I might ask the minister in this regard, and that is, when the minister refers to the three denominations is he now including the Pentecostal Assemblies with respect to this \$2.7 million of an equalization grant because of DREE expenditures in the past? Are the Pentecostal Assemblies included in this particular thing *now*? And if so, Sir, you know, how much is their allotment as compared with the Integrated and the Roman Catholic? And further, Sir, I might ask the minister if he can indicate to the honourable House what happened to the amendment with respect to, I think, Term 17 of Terms of Confederation in terms of having the Pentecostal Assemblies accept this, acknowledged as a denomination in this province for purposes of education?

Now, Sir, on page 14 of the Budget Speech we see this new commitment by the P.C. Government, and I would say that the Minister of Education was playing rather loosely with that \$20 million, because, Sir, the impression I would submit that the minister was leaving, whether willingly or not, but the impression that he was leaving that this

\$25 million was a great new grant - of \$25 million being made available this year. People could misinterpret it that way. Whereas, Sir, the fact of the matter is as we see when you look at this new commitment scale that it is over the years from 1975 up to 1985, a ten year period. And the first year that this comes into effect really is in 1977-1978 when \$1 million was made available, then 1978-1979 another \$1 million is made available, in 1979-1980 then \$2 million is made available. So the maximum amount of this \$25 million is being made available in the extended long period. So, Sir, it is not helping the Denominational Educational Committees, it is not helping the school boards in this province to cope with the problems that they are faced with today.

Now, Sir, the fact of the matter is that the school boards and our educational system face complete and utter bankruptcy. This is a fact that we have to accept. This is certainly so, Sir, on the capital side. The school boards of this province face almost complete and utter bankruptcy. Sir, unless the government provides a substantial infusion of money on the capital account, Sir, there cannot be any significant new school construction in Newfoundland during this year, or during the next three or four years.

Sir, the fact of the matter is that all of the school boards of Newfoundland have already spent for facilities presently in use all the money which they expect to receive on capital account in the next two or three years.

Now, Sir, the government since 1971, that was the last year that the Liberal's prepared a budget, had been providing \$8 million per year, that is until 1974-1975, where it was increased to \$10 million per year. Sir, the amount voted for the construction of new schools was \$4 million, a sum to which it had been raised from \$2 million in the mid 1960's. And this, of course, Sir, was raised from \$1 million in the mid 1950's. Now, Sir, this is a fair amount of money that is being spent in the field of education. The rate of increase has been extremely rapid.

But, Sir, the simple fact of the matter is that it is not enough money. Now the honourable minister may say, well that is our problem, we cannot get enough money. But we will have a positive proposal for the honourable minister once we set out the problems that exist. Sir, we simply do not have enough money and the school boards are on the verge of bankruptcy. And obviously this is because of no increased costs of construction and materials and this kind of thing. And the seemingly large amounts of money that we are getting from government at the present time simply will not build the buildings that we need in this province, or anything like the buildings that we desire. Sir, the Minister of Education has been around this province as I have been, and as have other members, and there are schools that are not fit to put animals in let alone students still existing in our province. We can blame it on any government we want to, the previous administration or this administration, but in spite of the huge amount of money being spent in the field of education it is not enough. The school boards did not have enough, Sir, so what did they do? They did exactly the same thing, Sir, as many people do in their private lives, Sir, they borrowed against future income, the school boards of this province. And using the money thus acquired they built the schools which we see around us in every part of the province today.

Sir, we could not have seen these schools that we see today if the school boards did not go into debt. It has been a very, very costly exercise. In fact, Sir, the school boards have a debt, I understand, at the present time amounting to \$46 million - \$46 million. Sir, this debt alone is close to the next four or five years of income under the new formula or the new commitment presented by the government. Now, Sir, and to that we have to add the debt charges - and that will add up to approximately \$70 million - \$70 million. Sir, that is the amount of money, \$70 million, that will be needed to pay off the debts of the school boards in the next few years.

Now, Sir, I think under these circumstances, Mr. Chairman, you can understand why the school boards say that unless the annual allotments, as laid out in the budget speech, unless they are increased substantially, they will not be in a position to build new schools, any significant new schools, or any significant numbers of new schools for the next few years. So the banks are simply not going to give them any more credit. I have mentioned the extent of the debt charges already.

Sir, the fact of the matter is that the principal and the interest on the debt of the school boards can hardly be serviced by the annual allotments that are being made to the school boards.

Now, Sir, a few years ago, a couple of years ago, the school boards of this province estimated that they would require - this is very important, Mr. Chairman - they estimated a couple of years ago, in 1973, that they would require \$132 million from 1973 to 1980. That is for the next eight years. That was said two years ago, Sir. In other words, they needed an average of \$16.5 million per year for eight years. This is the request, Sir, that was made to government two years ago. And, Sir, do not forget that this is in addition to the \$46 million debt or the \$70 million debt, plus interest. This is in addition. Sir, what we have here is the government's commitment. The government's commitment is \$135 million over the next ten years, taking us up to 1980, when the school boards asked for \$132 million to take them up to 19 - I am sorry - the new commitment is \$135 million to take them up to 1985, the school boards requested \$132 million to take them up to 1980.

MR. DOODY: (Inaudible).

MR. F. ROWE: Now, Sir, the Minister of Industrial Development can shake his head all he wants to.

MR. DOODY: It is not just me.

MR. F. ROWE: This is a desperate situation, Sir.

AN HON. MEMBER: (Inaudible).

MR. F. ROWE: The verge of bankruptcy. It is a very serious situation, Mr. Chairman. Sir, in other words the authorities, if we take the debt figures into consideration, are really asking for about \$200 million. I do not know if they would ask for it, but this is the requirement to get them out of the mess they are in at the present time. Sir, as I mentioned before, this is a long ways away from what the government has committed. Sir, we are facing an extreme crisis in terms of financing primary, elementary and secondary education in this province. And this government, Sir, has been like a depleted resource when it comes to leadership in dealing and grappling with this financial problem in the secondary and elementary schools of our province. It is a crisis, Sir, which the school boards face and, Sir, there is a solution to it. There is a very simple solution to it, and it will be a fairly costly one, and obviously is to make more money available. But the question is, Mr. Chairman, how do we make more money available? Because the Minister of Education is saying we cannot make more money available.

Well, Sir, we have a suggestion whereby the government can make the required money available to the school boards so they do not have to live with this day to day dread of going up the spout,

just barely being able to service their debt, not being able to build any significant numbers of new schools. I am still have kids up in my district in a school, Sir, with four rooms, with a miserable old space heater in it.

AN HON. MEMBER: After twenty-five years.

MR. F. RCWE: After twenty-five years, that is correct, Mr. Chairman, after twenty-five years and this government if he wants to get into that kind of foolishness, Mr. Chairman, this was the government that was going to solve all the problems in its first Throne Speech.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: So do not give me that marlarky. This was the government that were going to reinstate the student aid programme, they were going to increase teachers salaries, they were going to solve all the problems in education. If you would listen to that first Throne Speech, Mr. Chairman, -

AN HON. MEMBER: Inaudible.

MR. F. ROWE: So I do not mind the minister referring to the last twenty-five years or however many years - twenty-three years - there were significant improvements over these twenty-three years, Mr. Chairman. And I defy this administration to compare the progress made in this province relative to the progress made in any similar period of the previous administration. And I have given the Committee, Sir, figures in this honourable House earlier today to show that this Department of Education, of this administration, does not compare at all when you make comparisons on a relative basis with respect to expenditures in education.

But, Sir, there is a solution to getting this \$16.5 million per year, it is probably a little bit more at this present time but these are the latest figures I had to go on. It may be \$17 million or \$18 million they need now to take care of the needed expenditures, to build new schools, to service a debt and to pay it off or liquidate it.

Sir, the answer is simply long term financing which I understand the school boards have been asking for for years. Sir, they, the



school boards have asked for the money to be made available over twenty years - and this would come to, say, approximately \$328 million - \$68 million is that what they used to repay the presently existing loan commitments, and leave \$260 million or so available for current school construction needs of the province.

Sir, the expectation was a couple of years ago that the \$260 million payable over a twenty year period, all of it being applied to new construction, would meet the needs of the school boards. That is a lot of money, Sir. And we are not asking the government to flick out \$25 million this year. But, Sir, the alternative to not finding that \$260 or so million over the next twenty years is absolutely unthinkable in terms of the standards, the physical standards only that our students will have to face in the schools over the next few years. Does anybody here, Sir, want to see Newfoundland without any new schools being built next year or the year after, or the year after when these capital grants, except for the DREE grants, could just barely go towards servicing the debt? I am sure, Mr. Chairman, there are schools in your district that are an insult to the province after twenty-five years, Mr. Chairman.

MR. DOODY: A lot of progress in the last two years.

MR. F. ROWE: There you go, the Minister of Industrial Development - a lot of progress in the last two years, no doubt!

Sir, there is no doubt about the fact that the amount of money required is beyond the level of the school boards financial or fiscal capacity but, Sir, it is not beyond the levels, it is not beyond the level, Sir, of our provincial's fiscal capacity to borrow.

Sir, this Province spent \$160 million to buy back our resources as far as BRINCO was concerned up there, and it is going to have to get \$1.6 billion one way or the other for the development of the Lower Churchill - not arguing against that at all, Sir. But it demonstrates the ability of the Government of this Province to borrow money if it places a priority in any particular direction.

Sir, we are suggesting, and it is not my suggestion, Sir, it is not the suggestion of any single member on this side of the committee - we are suggesting, Sir, that the government - and I would like for the Minister of Education to take note of this, he might have articulated it once or twice before - Sir, we are getting kind of sick of being accused of being negatively critical but we do have a very positive suggestion on how to solve this problem and, Sir, the suggestion is this, is that that government should set up a crown corporation, a crown corporation -

AN HONOURABLE MEMBER: Not another one.

MR. ROWE: Yes, another one.

AN HONOURABLE MEMBER: Another one.

MR. ROWE: Another one, not with all the fanfare of the Hydro Corporation, but set up a crown corporation, Sir. You can call it the Newfoundland Educational Finance Corporation.

AN HONOURABLE MEMBER: Newfoundland and Labrador.

MR. ROWE: And, Sir, this corporation with the government's guarantee, of course, could go to work and borrow the money from the financial market. Sir, this corporation would then use this money to build schools. The corporation could build the schools itself and then turn them over to the denominational educational authorities or could give the money to the denominational educational authorities or the school boards who in turn would build the schools just as they do now. The details of it can be worked out.

Sir, the Educational Finance Corporation could lay out a ten to twenty year construction programme if they worked on a twenty year financial basis. And Sir, this construction programme could be worked out with the authorities and subject to all the checks and balances which must be built into such an undertaking. Sir, once this programme was worked out, then it could be carried into action. The corporation would be, the purpose of the corporation would be, to finance the borrowings. And, Sir, how could these borrowings be repaid? Simply by annual allotments by the Government of the Province, the same way they do it for any other services in the Province.

Sir, this government and other provinces of Canada have financed such systems as water and sewer systems and other municipal services over the last twenty-five or thirty years and it makes perfect sense. Sir, the beauty of this is that it would give us the schools we need at the least possible cost, and even more importantly, it would enable the school authorities to plan on a forward and reasonably long term basis. Now, on the contrary, they have to plan on a short term basis, all the school boards of this Province. And, Sir, I think it makes extremely good sense to put school financing on a twenty year basis. Sir, we do the same thing privately now. Each individual in this honourable House who has a mortgage on a home is financing his own home over a twenty, twenty-five, thirty year basis. Why should not schools in this Province be built on the same long term financing programme?

So there it is, Sir. Do not ever let honourable members opposite get up and say that we simply get up and ask for more money for this - why do you not do this, what about more money for that road, this water service system, that school? Sir, we have stated that the school boards of this province are on the verge of bankruptcy, and that there will be no significant numbers of new schools built this year, or next year, or next year. The school boards can just barely service their debts. They are getting \$135 million up to 1985, when the school boards ask for \$132 million up to 1980. And they say, I suppose, the Minister of Education says, I suppose, the Hon. Member for St. Barbe North will get up and say, why not flick in that \$25 million this year? It is very easy to say, Sir, but we cannot afford the luxury of irresponsibility being this close to an election.

Sir, our suggestion is a Crown Corporation, the Newfoundland Educational Finance Corporation, to borrow money over a twenty year period and allows school boards to plan on a construction programme for a ten or twenty year period instead of, Sir, having to read a headline like this, year after year, and I would not doubt the same headline, Sir, was printed during the Liberal years -

AN HON. MEMBER: And the year after, and the year after.

MR. F. ROWE: - and the year after and probably the year - if this administration continues to go on the way that it is going on, Sir, Province's School Boards Forced To Slash Programmes. Sir, I submit that if we set up this Crown Corporation, that we could have sensible, long-range construction programmes, sensible, long-range financing, long-term financing, and I would submit, Sir, a solution to many of the problems facing education in our province today as far as capital construction is concerned. Sir, we will not have the Executive Secretary of the Newfoundland Federation of School Boards, who warned members of his organization that they would be forced to slash programmes because not enough monies were allocated for the school boards. It is going to be a very tight year for many school boards, the Executive Secretary said, Sir.

AN HON. MEMBER: (Inaudible).

MR. F. ROWE: Sir, I agree with honourable members opposite.

It is a tight year, a tight year, and partly because of the lack of leadership of this administration, and partly because, Sir, they have not grappled with the problem.

AN HON. MEMBER: (Inaudible).

MR. F. ROWE: Obviously, the honourable member was not listening to the positive suggestion that was made by this bunch over here, Sir. We have recommended -

AN HON. MEMBER: (Inaudible).

MR. F. ROWE: - honourable members, we have recommended that a Crown Corporation be set up, and I have explained why I thought that would be a reasonable thing to do and would help alleviate some of the problems.

AN HON. MEMBER: (Inaudible).

MR. F. ROWE: Never, never, Sir, will we meet the needs of education, highways, municipal services, never, never, in this province. You pave the streets, people want sidewalks. Put in sidewalks, you want lights. Put in that, you want street cleaners. Put in that, well it just goes on. But this is not sensible what we got here now, Sir. The school boards of this province are facing utter and complete bankruptcy, and we have made our suggestion as to how that should be taken care of.

Sir, the government has been sadly disappointing in not grappling with that particular problem.

Now, Sir, operating grants to the school boards - I am glad the honourable minister explained something in the operating grants there because, Sir, here is the way I had read it. I am not quite sure if I have changed my mind quite. I am not quite sure if the minister has convinced me. Sir, the way I read it is that in 1973-1974 the estimate was \$11.7 million - that is the revised estimates now - and the estimates for 1974-1975 were \$14 million, which represented a twenty-five per cent increase estimate over last year.

Sir, the revised estimates for 1974-1975 were \$16.7 million whereas the actual increase was forty-two per cent over the year before rather than twenty-six per cent. I have a little calculator if the minister would like to use it. I attributed that, Sir, to inflation. But the minister has since said that there is a \$1.9 million deficit remaining from the year before, or something, that had to be wiped out. This is the reason for the revised upward estimate up to \$16.7 million.

Sir, I cannot understand where that \$1.9 million deficit came from, how it originated, why there. There must have been a reason for it.

AN HONOURABLE MEMBER: Inaudible.

MR. F. ROWE: Yes. There was \$232,000 or something went for that bonus that was given out, but then the remainder was just a plain deficit which was attributed to what?

MR. OTTENHEIMER: \$1.6 million was made available sometime last summer to cover the deficit of the previous year, 1973-1974. Each board submitted that that was the first year - (remainder inaudible.)

MR. F. ROWE: Right. I get the point. Okay. So, you cannot attribute that upward adjustment wholly and solely at all, purely on the basis of inflation. Therefore, I conclude that the amount of increase this year, which I estimated to be six-point-eight per cent to be horribly inadequate in terms of the rate of inflation compared to the year before.

AN HONOURABLE MEMBER: Inaudible.

MR. F. ROWE: Well, Sir, I do not know where the minister got his figures

there.

MR. OTTENHEIMER: He subtracted \$1.9 million from the \$16.7 million.

AN HONOURABLE MEMBER: \$14 million.

MR. F. ROWE: Well, this year the operating grant was \$17.8 million and last year it was \$16.7 -

MR. OTTENHEIMER: Only in the figure because you have to subtract \$1.9 million from that. The costs we spent in operating last year had nothing to do with the -

MR. F. ROWE: Okay. Well, I have to accept that, Mr. Chairman.

AN HONOURABLE MEMBER: Inaudible.

MR. F. ROWE: Mr. Chairman, the honourable member for St. John's Center is so full of hot air that if he stepped into cold air he would go straight up in the air.

MR. MURPHY: Inaudible.

MR. F. ROWE: Yes, well, you know, some honourable members, Mr. Chairman, are not quite as bright as the member for St. John's Center so it takes a little bit of time to understand, Sir.

MR. MURPHY: Inaudible.

MR. F. ROWE: During my university education, I must have been de-educated or something compared to the day to day education that the minister got during his years that I spent in education.

Now, Mr. Chairman, getting back to the operating grants -  
it is my



understanding that the school boards, and I have not had an opportunity to talk with anybody yet but I thought I heard it, or I did hear it on a newscast that it has been said that the school boards required something in excess of a thirty per cent increase in the operating grant this year in order to cover their anticipated operating expenditures. And the minister informs us that they have, in fact, provided a twenty per cent increase.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: So, Sir, it is just simply obvious, based on figures, that the school boards are not going to be able to manage their operating costs this year, and there are going to have to be cutbacks one way or the other.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: Sir, I think what I will do with this particular - I will be getting into detail on this one if I pursue it any further, and because of your earlier ruling I will keep that particular item for the detailed estimates.

Now, Mr. Chairman, the other six major points that I want to raise was the whole business of financing education in this province. I have already made one positive suggestion with respect to financing primary, elementary, and secondary education. Sir, the second one is this whole business of school tax authorities and school assessments.

Now, Sir, I would like to point out a few facts relating to school tax authorities and school assessments because I have made it a point to look at this in some considerable detail. And I have been shooting off rather intuitively, shall we say, over the past few years on whether or not we should have the abolition of school tax authorities and school assessments. I was sort of based on intuition, a gut feeling that I had, that this was not the right way to raise money for purposes of education as a result of talking to educators and people who have to pay these assessments and these taxes.

Since that time, Sir, I have conducted a study, a small study, on the whole nature of school assessments and authorities and collected a few facts, thanks to the Minister of Education who was kind enough

to supply me with some of these facts. And, Sir, here is the situation: we had twenty-two school boards under the Integrated Educational Committee. Sir, twelve of these school boards collect assessments only - now, Sir, I am going to go on to this detail because it is a tangled mess -

MR. MURPHY: Mr. Chairman, if I may, on a point of order. Do we have to go into a school tax authority now? I do not know where it is covered in various parts. It could be an hour or an hour and a half -

MR. F. ROWE: To that point of order, Mr. Chairman, I do not care if it is eighteen hours or eighteen minutes. If it is relevant I have the right -

MR. MURPHY: Inaudible.

MR. F. ROWE: On that point of order, Mr. Chairman - if it was a point of order.

MR. CHAIRMAN: Order, please! I have yet to hear the honourable member's remarks. He is making a preamble to his remarks that concern the general administration of the Department of Education, and things that pertain generally to it. If he gets into specifics in the estimates I will interrupt him. But as of right now, I think, he is perfectly in order.

MR. F. ROWE: Thank you, Mr. Chairman.

The whole purpose of this exercise, Mr. Chairman, is to try to explain to this Committee the tangled web that we have with respect to school tax and assessments in this province. And the fact that we - well I will describe later.

Let us look at the facts: twenty-two school boards - that is under the Integrated Educational Committee - twelve of these boards collect assessments only; three boards collect a combination of assessments and school taxes. The total amount of assessments collected is \$1.6 million. The defaults - listen to this, Mr. Chairman - the defaults for the Integrated Educational Committee range from three per cent to thirty per cent - three per cent to thirty per cent.

AN HON. MEMBER: Inaudible.

MR. F. ROWE:

This is throughout the Province. These figures are - I have it broken down per school tax authority and per school board but obviously I am not going to identify, you know, what boards have the greatest default rate and this sort of a thing. I am sure the minister would not want me to do that. I do not even know if I should be giving this detailed- comparing the educational committees with the various educational committees. But, Sir if the defaulted assessments were collected in the educational committees, you know, in that under their jurisdiction, you would get an additional \$271,600. In other words, the total potential assessments from the Integrated Educational Committee is \$1.9 million. Just mark that down, \$1.9.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: This is based on the latest figures made available to me by the minister himself.

MR. OTTENHEIMER: You cannot count on figures of a couple of years ago. We gave you the latest we had at the time.

MR. ROWE: Right. Okay, I can only use the figures, Mr. Chairman, that the minister gave me.

MR. MURPHY: Inaudible.

MR. ROWE: Oh! Yes, yes, yes. We can talk about that.

MR. MURPHY: (First part inaudible) - everybody. You know, you are talking about one hundred per cent enrollment.

MR. ROWE: I am talking about assessments here now, Mr. Chairman.

MR. MURPHY: You are talking about one hundred per cent enrollment. Just covered one hundred per cent enrollment, gave no exemptions to people under certain incomes and this type of thing.

MR. ROWE: No, we are talking about assessments to parents of children - who have children going to school. Now, nobody is forced by law if they cannot afford to pay assessments.

MR. MURPHY: But they would be in default - there is no exemption anyhow. -

MR. ROWE: Look, I do not care about the reason for the default, Mr. Chairman. I am simply stating that there is a default made.

MR. MURPHY: Inaudible.

MR. ROWE: Yes, but just let me - Mr. Chairman, if I may continue here, I am not arguing, you know, that some poor soul, you know, living in a run down home with thirteen children should be forced to pay a twenty dollar a month school assessment, or what have you. Of course, I am not. I am just stating simple fact, that the default rate ranges from three to thirty per cent and if we take defaults into consideration in with the total potential assessments that could be collected under the jurisdiction of the Denominational Educational Committee, the Integrated Educational Committee, it could be \$1.9 million.

There are twelve school boards under the Roman Catholic Educational Committee. Six of these boards collect assessments only, and the total amount of assessments collected is \$550,000 and the default rates range from thirty-two per cent to seventy-three per cent. I do not care about the reasons. This is just simple fact. If you take the defaults into consideration and assume that they were collectable, the total anticipated revenue through school assessments under the school boards, under the jurisdiction of the Roman Catholic Educational Committee would be approximately \$1 million.

So there we have \$1.9 million plus \$1 million. That is about \$3 million under assessments. The Pentecostal's total assessments approximate \$56,000. I do not have any indication, I could not get the figures on any default rate for school taxes there.

Now, so that is \$2.9 million that can come to the Province through assessment. Now, let us look at school taxes. There are fourteen school tax authorities plus the St. John's School Tax Authority. Now, Sir, it is difficult because we are talking about anticipated revenue and actual revenue that has come in, but we got to sort of, you know, try to get a medium figure somehow or

other. Taxes vary from a minimum poll tax of \$20 to a maximum poll tax of \$75.

Now, nobody in this committee, Sir, can convince me that that is in any way fair, when you have one school tax authority administering a poll tax of \$20 and another school tax authority administering a poll tax of \$75. It is not fair when you compare one school tax authority to another, nor is the tax itself. It is a regressive tax because it is not in any way related to a person's ability to pay.

MR. CHAIRMAN (Stagg): Order, please!

I do not think there is any head in the estimates under which

this particular point comes and when it is not in order to discuss items of a particular nature that appear in the estimates, it seems rather peculiar that a member could discuss in detail an item which does not appear in the estimates. I will listen to the honourable member and then if called upon may have to make a ruling on it. But he is getting into rather precise debate on a matter which does not appear anywhere in these estimates.

MR. ROWE: Mr. Chairman, you know I do not wish to argue against your ruling but I cannot discuss this specific item in the estimates and now I cannot talk about an item that is not in the estimates. So if you draw it to its logical conclusion I cannot talk about anything. I would submit, Mr. Chairman, however that I am talking about that broad heading of services to school boards, whatever heading that is 604-05, or what is it, Mr. Minister? I would submit it comes under the general heading of services to school boards and what I am trying to point out is the mess that we have now with respect to financing a certain percentage of our expenditures in the field of education.

Now, Sir, I have pointed out that the \$20 poll tax, a minimum, a \$75 poll tax a maximum. The property tax in some school tax authorities, Sir, go from 2.8 mils to a maximum of 5.5 mils and, Sir, the total amount of school tax collected for the year 1972-73 was \$6 million, rounded off.

AN HON. MEMBER: 1972-73.

MR. ROWE: 1972-73, these are the latest figures that I have. Sir, the conclusion is that- and there was another problem there where Placentia, St. Mary's and Trinity Bay, etc. and Ferryland and these, no figures were available for those so I had to make a projection based on the taxes administered in the other school tax authorities. That worked out to be approximately \$1.1 million.

So the total conclusion, Sir, is that the total amount collected through school tax authorities in the province is approximately

\$7.16 million.

MR. MURPHY: Inaudible.

MR. ROWE: Now the final conclusion, Sir, is that the progress made in revenue from school assessments and school taxes for Newfoundland and Labrador equals approximately \$10 million. Now these are based on the latest figures that I get from the Minister of Education and I would submit, certainly, you know, there is room for \$2 million or \$3 million one way or the other.

Now, Sir, what we are suggesting is this, that these school tax authorities must, and school assessments must be abolished immediately. They must be -

AN HON. MEMBER: Inaudible.

MR. ROWE: Mr. Chairman, exactly what I expected the honourable Minister of Finance or Education to say, and raise the what tax?

MR. MURPHY: To raise money through taxes.

MR. ROWE: Not necessarily, Mr. Chairman, this can be done without raising taxes in any specific area.

SOME HON. MEMBERS: Inaudible.

MR. ROWE: Yes, it is very interesting, Mr. Chairman, and I can give one simple example. The Minister of Finance himself admitted that he underestimated revenue from the liquor tax, from the provincial sales tax, from the provincial income tax and from the gasoline and oil tax last year by some \$16 million to \$19 million, I cannot remember what it was now. Money could from there without increasing taxes, if the minister wants to talk about getting money without increasing taxes.

AN HON. MEMBER: Inaudible.

MR. ROWE: The other thing, Mr. Chairman, that the minister forgets altogether is the recommendation that the Opposition has already made and that is the setting up of a Crown Corporation for financing education in this province. Let us face the fact, Mr. Chairman, we are asking the government to stop passing the buck to the school boards.



MR. F. ROWE: Well, that is rather the wrong kind of a pun to say the least. They are not passing the buck to the school boards. That is the problem.

AN HON. MEMBER: To coin a phrase.

MR. F. ROWE: To coin a phrase.

Mr. Chairman, the problem is, and we pay tribute to these members on school boards, and we pay tribute to these members on school tax authorities, who have been so sincerely trying to raise money for educational purposes over the last few years, including the Liberal years, through assessments and school tax authorities. School tax authorities were set up by the Liberal administration, and I am the first one to admit it, and I am the first one to say that the Liberal Administration, if it were the administration at the present time, or the Liberal Party, can at least change its mind.

AN HON. MEMBER: Have you read this?

MR. F. ROWE: Yes, I have read -

AN HON. MEMBER: Do not be so foolish.

MR. F. ROWE: The difference between this administration, Mr. Chairman, and this party on this side of the House is that we can change our minds to meet changing needs in this Province and changing times in this Province. Just because school tax authorities were required or were thought necessary back during a certain period of the Liberal Administration does not mean that we do not think it necessary to eliminate them at this present time. Because, Sir, the simple fact of the matter is is that school tax authorities are controversial. They cause duplication of administrative services. The default rates range from one school tax authority to another and one assessment area to another. They are high in some cases. There are hundreds of unnecessary court cases costing hundreds of dollars to get the twenty miserable dollars from a parent. There are different methods and different rates of taxation which are, to say the least, unfair and inequitable.

MR. MURPHY: The honourable members says here that you can charge \$20.00 or say \$75.00 to the man in Centerville the same as Corner Brook

or St. John's. Do you honestly believe that? What would the Hon. Member from Bonavista North pay?

MR. P. THOMS: I honestly believe the same way he is talking.

MR. F. ROWE: You have not got a clue -

MR. MURPHY: Oh, I am awfully sorry. Oh, I thought he was talking -

MR. F. ROWE: - of the life expectancy of a snowball in the middle of the Sahara Desert.

AN HON. MEMBER: I agree.

MR. F. ROWE: The minister cannot comprehend what I am trying to get at, Mr. Chairman.

MR. MURPHY: Sure, tell us.

MR. F. ROWE: What I am getting at -

MR. MURPHY: Yes.

MR. F. ROWE: - and that is that any poll tax, okay - let us assume that the poll tax in this Province was the same throughout the Province -

MR. MURPHY: Yes.

MR. F. ROWE: - let us assume they were, it is a regressive tax.

MR. MURPHY: So what!

MR. F. ROWE: So what!

MR. MURPHY: What is not regressive? What is not regressive?

MR. F. ROWE: It is regressive in this sense that it is in no way related to the ability of a person to pay. The honourable minister, if he were making, say, a \$50,000 a year salary -

MR. MURPHY: Yes. Should I pay out more than somebody -

MR. F. ROWE: Would the minister stop interrupting me, Mr. Chairman, and listen if he wants an answer to one of his own questions?

MR. MURPHY: How stupid!

MR. F. ROWE: - would pay in St. John's next year \$75.00 for school tax. Some young working couple, just out of university with a heavy debt, both working, trying to get a down payment on a house, would pay \$75.00 each. if they are within a certain salary range, say making \$5,000 each -

MR. MURPHY: Yes.

MR. F. ROWE: - for a total of \$150.00 and the honourable minister says that that is fair.

MR. MURPHY: (Inaudible).

MR. F. ROWE: It is completely -

MR. MURPHY: (Inaudible).

MR. F. ROWE: It is completely unrelated, Mr. Chairman, to a person's ability to pay. The only tax that is progressive is a kind of an income tax formula and, of course, school boards or school tax authorities cannot get into the income tax business. It is as simple as that. So, Sir, it is not based on the ability to pay, and besides that school taxes vary from one area of the province to another and that is unfair.

MR. MURPHY: (Inaudible).

MR. F. ROWE: School tax bases vary from one area of the province to the other.

The tax base of Corner Brook and Gander is far superior to, say, the rural part of the Great Northern Peninsula - far superior - more people employed, making higher salaries, greater concentration of population, even administering the same tax on these peoples because of the differential or difference in tax base is basically unfair.

MR. MURPHY: I would like to know if the member consulted with his constituents. They are far better off with a school tax than an assessment.

MR. F. ROWE: My son - Mr. Chairman,

AN HON. MEMBER: That is not my son.

MR. F. ROWE: It just cannot get through, I do not know what the problem is. We are also suggesting the elimination of assessments.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: Oh, yeah! Mr. Chairman -

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

MR. F. ROWE: We have simply suggested that school assessments and school taxes in this province are unjust, unfair, inequitable, and should be eliminated. It is as simple as that. And I would submit, Mr. Chairman, that if the Hon. Minister of Education had the gall, or the gumption I should say, or the courage -

AN HON. MEMBER: The guts.

MR. F. ROWE: is the word I am looking for - the courage to table the Harris Report, that we may find in that Harris Report some recommendations relating to this whole business of school taxes and school assessments in this province. And I would submit that there is some reason why the minister is hiding the Harris Report on Education, human resources.

Mr. Chairman, in the next few minutes before I call it 6:00 - the Hon. Minister of Education on December 12, said in an answer to a question that I put to him concerning the Harris Report, said as I informed the honourable gentleman no later than yesterday - no later than yesterday, Sir, we shall be tabling all of this information next

week, This is Thursday, that leaves Friday following on, Sir, and Saturday and Sunday we do not sit usually and that leaves next week. Mr. Speaker, I informed the honourable member of the same thing. I informed him no later than yesterday that this information will be tabled next week. That was in reference to a question. When are we going to see the Harris Report? That was on December 12, and still the Minister of Education refuses to table the Harris Report which I submit has a heck of a lot to say about financing education in this province. And why the minister is hiding it is something that I cannot quite understand.

Sir, if you wish I will call it 6:00 o'clock -

AN HON. MEMBER: Move the adjournment.

MR. F. ROWE: Or move the adjournment or however you do it.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: No, I am not finished, Mr. Chairman, no.

MR. CHAIRMAN: The honourable member can speak as long as he wishes, and if he wishes to sit somebody else may take the floor.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: Okay, Mr. Chairman, I just simply wanted to start a new subject, and I thought it would be, you know, rather than getting two minutes into a new subject I will call it 6:00 with the consent of the House.

AN HON. MEMBER: Call it 6:00 o'clock.

MR. F. ROWE: Call it 6:00 o'clock with the consent of -

MR. CHAIRMAN: Is it agreed that we call it 6:00 o'clock.

On motion agreed.

MR. CHAIRMAN: It now being 6:00 o'clock I leave the Chair until 8:00 o'clock this evening.

The Committee resumed at 8:00 P.M.

Mr. Chairman in the Chair.

MR. CHAIRMAN: Order, please!

The member for St. Barbe North.

MR. F. ROWE: Mr. Chairman, I see the great debate has pulled them in tonight. This afternoon, Sir, I was talking about really the basic principle on how we should try to finance primary, secondary and elementary education in the province, and I put forth the concept and the proposal and recommendation of a crown corporation so that we can have a system of long term financing, say for twenty years, set up in order that the school boards of the province could prepare on a sound basis a sensible and reasonable building programme for a ten or twenty year period.

Then, Mr. Chairman, I turned my attention, the committee's attention to this whole business of what I consider to be the disadvantages and the weaknesses of the present method of school taxation and school assessments which, however you look at it, is supposed to approximate five per cent of the educational budget. Sir, what is it? Five per cent of what? If we look at - using the figures this afternoon I estimated that we are taking in approximately, or we will be taking in with the St. John's School Tax Authority and the other school tax authorities and other assessments, approximately \$10 million. I will stand corrected there because we were using figures from different years.

Assuming that it was \$10 million, this would represent 4.3 per cent of the so called \$232 million education budget. If we take the services through the school board vote of \$141.9 million, we will see that that \$10 million represents approximately seven per cent. On the other hand, if we take the operating grant and the capital grant and the transportation grant to the schools or to the boards, totaling \$37 million - this is excluding the teacher's salary and the federal government money coming into the department - we see that the school assessments and the school taxes account for approximately twenty-seven per cent. Now, I do not think we should get hung up, Mr.

Chairman, on what percentage of what school assessments and school taxes represent. I think what we should tackle is the principle of assessments and taxation, school taxation, and try to decide in this committee or in this honourable House whether it is a desirable aspect or way to raise educational funds in this province, because I think, Sir, that what we have now is an intolerable situation. There are gross inequities, controversy, duplication of certain administrative services, and I have gone through the whole gambit. It cuts into municipal revenue -

MR. CHAIRMAN: Order, please!

I am directing my comments to honourable gentlemen to my left.

MR. F. ROWE: Sir, we, on this side of the House, when it comes to financing education, Sir, believe in a pattern of centralized educational finance.



Sir, we believe that in Newfoundland society the agency that ought to be charged with the authority and the duty of levying taxation and distributing the proceeds of this taxation should be the central government, in other words, the Provincial Government. Stating in another way, we are saying that the Provincial Government should accept the full responsibility for collecting revenue and distributing revenue for purposes of primary, elementary and secondary education.

Now, Sir, I ask the question or some people might ask the question, is this unique to Newfoundland, is it unique to Newfoundland? And the answer is, of course, that it is not unique to Newfoundland. But we had a little bit of a head start in a sense because it was the denominational authorities and the government more or less had the responsibility in the past for getting revenue into the schools anyway and we inherited a system whereby the government was virtually responsible for financing education. On the mainland and in some states they tended to move towards the local level in the past, such as school taxation and getting the revenue for schools through municipal or local government, but the tendency now, in both the States and on the mainland, is away from the local area of collecting revenue for educational purposes.

For instance, Sir, New Brunswick is a prime example. They have moved away from the local to a more centralized agency, in other words, the provincial government for collecting revenue for educational purposes. The Warren Royal Commission Report stated, Mr. Chairman, that New Brunswick, which in 1963 had the lowest provincial percentage, that is thirty-one per cent, now has the highest, almost one hundred per cent, since the Provincial Government now has complete responsibility for education except for minor provisions for supplements to the

programme by school districts. Now, this is an area that we have to contend with. I submit that there should be a certain amount of local economy, but I do not think it should be on a mandatory or an involuntary basis. I think it should be on a voluntary or non-mandatory basis.

Now, some people would argue that you cannot get people to contribute at the local level on a voluntary basis anymore. I submit that that is not quite true because there are various methods. The typical example in Newfoundland is a bingo game. Now, I am not suggesting that we finance education through bingo, so I do not want that one hung on me, but there are, and card games -

AN HONOURABLE MEMBER: Bake sales.

MR. ROWE: Bake sales. But, Mr. Chairman, the move is towards the provincial government accepting full responsibility. Another example is Prince Edward Island. In 1972-73 the Province of Prince Edward Island followed the same example of New Brunswick. Now, they still have their property tax there in P.E.I. and its collection is now the responsibility of the provincial tax authority. In other words, they have a provincial tax authority instead of a multiplicity of school tax authorities such as we have here in Newfoundland. The local school tax authorities in P.E.I. have been abolished and now P.E.I. has one hundred per cent provincial funding of education, the same as New Brunswick does.

Sir, also I might quote from the California State Superintendent of Schools. He has written that the long range solution is to shift the burden from the overloaded shoulders of the local taxpayers to the much broader and stronger shoulders of the state or provincial taxpayer,

With its incomparably wider tax base and its varied and sophisticated techniques of tapping wealth in the form of incomes and transactions, the state, or in this case the province, is the only agency capable of supporting education today.

Now, Sir, these are just three examples of where we see a shift away from local financing of education towards a more centralized or provincialized, or in one case a state, financing of education.

I submit, Sir, that we, as a matter of fact I have already mentioned that we were singularly lucky, historically speaking, because, as Dr. Warren pointed out, that one of the most striking things about - this is from his report, the Royal Commission Report - one of the most striking things about educational financing in Newfoundland as compared with other provinces is the high share total expenditure on elementary and secondary education borne by the provincial government. In 1963 it was eighty-nine per cent compared with fifty per cent for all provinces. In 1973 the provincial proportion apparently increased from eighty-nine in 1963 to over ninety-seven with less than three per cent of the total elementary and secondary education budget thus being raised from local sources.

Sir, we would suggest here that in line with what other provinces are doing and with what other states are doing, that this pattern is not only historically a coincidence or probably unique compared to other provinces of Canada, but it is a more desirable way to finance education in this province.

Now, Sir, as I submitted this afternoon, there is only one desirable solution and that is the abolition of these school assessments and the school taxes altogether. As I further submitted, the money can come out of the general revenue of the province and as I further suggested this afternoon, this can be done without necessarily

raising the taxes and particularly if we go along with the concept that we mentioned this afternoon of establishing a crown corporation in order to finance the school boards for the purposes of liquidating their very heavy debt and also for a logical programme of construction to be planned on a long term basis rather than on a short term basis.

Now, Sir, just one further point that I would like to make with respect to these taxes. The taxes that are mentioned this afternoon vary in - poll taxes vary from \$20 to \$75, poll taxes that is, property from 2.8 mils to 5.5 mils. That in itself is inequitable when you compare different regions with each other. But the main objection that we have to assessments and poll taxes or property taxes is that, as I suggested, they were regressive taxes. They are not tied at all together with an individual's ability to pay. Sir, this is the basic problem with it. The person on the smaller income pays just as much in a certain area as the person on a large income, and this is most unsatisfactory. This is so with the property tax and with the poll tax.

Sir, I said that the only progressive tax that school tax authorities could use would be an income tax. But, Sir, as you very well know, and my colleagues know, and members on the other side of the House of Assembly know that neither school tax authorities nor school boards can get into the income tax business. Therefore there are forced to levy a regressive and unfair and inequitable, a controversial tax, all for the sake of ten miserable million dollars.

When we are looking at a budget of \$1 billion, I submit that money could be more easily collected, more efficiently collected, and more efficiently distributed if the government would accept the whole one hundred per cent responsibility for financing education in this Province.

Sir, just to back up what I said there again this afternoon with respect to this it can be done without raising taxes. Inflation strangely enough, inflation works positively for government with respect to revenue. Inflation works positively for government with respect to revenue. That is why last year the Minister of Finance said that he underestimated the revenue in this province by some - well they got - they estimated \$199 million from, you know, fuel, oil, and gas taxes, liquor taxes, S.S.A., and personal income tax, provincial personal income tax. The estimate was \$199 million but they got \$211 million because of inflation, more money spent -

AN HON. MEMBER: Inaudible.

MR. F. ROWE: Right! But more money through taxes. But unfortunately inflation works in a negative way for the school boards because the cost of construction, the cost of operation, and all of this sort of thing goes up, and the school boards are more or less struggling like a pensioner, in a sense, in that it is on a fixed income, because the school boards have to depend upon operating and capital grants and this sort of a thing from the government, so they have to operate within a fixed income.

Now, Sir, I simply submit that it is time for the government to take the lead, get into the mainstream of what is happening in the United States, and on the mainland, and accept the full responsibility. And I would like to make one thing abundantly clear, Sir, - two things abundantly clear - because I have been criticized and my colleagues for our stand on this whole business in two ways. One, we are attacking the individuals and persons on school tax authorities and on school boards. That is certainly not the case. We are saying that the concept, the system is wrong. It is inefficient. It is cumbersome. And instead of criticizing the persons, the individuals we pay tribute

to them for expending their effort, and their time, and their money in serving on school tax authorities, and on school boards and try to raise in a very cumbersome fashion this additional four, or five, or three, or four, or five per cent.

MR. MURPHY: Inaudible.

MR. F. ROWE: The relevancy is about as relevant as the minister, Mr. Chairman.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: The other thing, Sir, is that this can be done without the Minister of Finance or any other honourable minister on the other side saying, the Opposition are for raising the personal income tax by one per cent, the personal income tax by ten percentage points, or the S.S.A. tax by one point. If that is the way they want to play the game, Sir, we will debate it back and forth. But it can be done without having to do that.

Now, Sir, the proposed polytechnical institute - a few brief words on that. I suppose it would be remiss, Mr. Chairman, if I did not mention that this was a great Liberal concept, which no doubt the present administration say it is a Liberal promise they will complete and do. But, Sir, much acclaim was given to this in the budget speech

and we see that there is only \$500,000 set aside to commence planning, not even to complete planning, but to commence planning. I submit, Sir, that it would be lucky if this amount will in fact cover the total cost of design and planning for the polytechnical institute. I think it would be far, far short, and that we will not see any concrete, if you will pardon the pun, evidence of the polytechnical institute or residence for the C.T.T. this coming year. I would not certainly hold my breath, Sir, for the start of construction of that particular institution, because we can all remember the great P.C. promise of the system of regional colleges for this province, Sir, and we still have to await and witness the opening of the one single regional college that is being built in Corner Brook. So, Sir, I would suggest that the so-called great announcement concerning the polytechnical institute, although well intentioned and long over due, will result in delays in expenditure in vocational and technical education. This is what it will result in. Now I will go further and say that it may be a convenient delaying tactic. Sir, this was manifested by the demonstration that we had in the building the other day. The Minister of Education had written the students in November promising them a residence on campus to start construction in the spring, and there was no vote for it in the estimates.

MR. MURPHY: Is that a fact, on campus?

MR. F. ROWE: That was my understanding.

MR. MURPHY: Your understanding is not a fact.

MR. F. ROWE: Well I will go so far as to ask the minister. Is that a fact, Mr. Minister?

MR. OTTENHEIMER: To the effect that a residence will be built, the location -

MR. F. ROWE: Okay.

MR. MURPHY: Nothing on campus.

MR. F. ROWE: Okay, Mr. Chairman, a residence would be built in the spring on or off campus. It was not defined where it was going to be built.



Now, Sir, the reason or the rationalization given for not starting that structure in the Spring is that now this residence is going to become a part of the polytechnical complex. Sir, I mean there is probably nothing wrong with that, but the fact is that there was still a promise made, a promise broken, and I would submit, Sir, that it was the Minister of Education, Sir, just over the past two or three years who said that no longer will they be placing emphasis on the use of DREE money for the construction of primary, elementary and secondary schools in this province but that instead, the government will be emphasizing the use of such money, DREE money or federal government money for increasing the standards and the numbers and the quality of vocational and technical education in this province. Well, Sir, there still is not any agreement up to this point about the federal - the minister mentioned the fact that the - the Minister of Education mentioned the fact that the Minister of Intergovernmental Affairs will be going to Ottawa in his usual vigorous style to look for some sort of an agreement -

MR. SIMMONS: The hand out.

MR. F. ROWE: - this connection to put wings, vocational wings on schools.

AN HON. MEMBER: (Inaudible).

MR. F. ROWE: No, I have not had enough time. This is the first I have heard of it today. I have not had enough time to weigh the pros and cons of such a programme.

AN HON. MEMBER: Going to do what?

MR. F. ROWE: Vocational wings on certain existing schools. You know, I would think at first glance that it seems to be a reasonable thing. It would make a school, a high school or a junior high school or a combination, a regional or central high school, a more diversified institution. It would mix technical, vocational and academic education together.

AN HON. MEMBER: Competence school .

MR. F. ROWE: The competence school concept which in fact we had, Prince of Wales Collegiate. The Minister of Justice, I think, was chairman of the school board -

MR. SIMMONS: No kidding.

MR. F. ROWE: - at the time when this school was first built.

It was called United Collegiate then.

AN HON. MEMBER: What?

MR. F. ROWE: Later it was called, Prince of Wales Collegiate.

There was a vocational wing in that school, a very good concept, and it worked well. But still, Sir, if this administration said that they were going to divert our DREE funds or place more emphasis on vocational and technical education -

MR. SIMMONS: It was the minister, was it?

MR. ROWE: Now, Sir, let us look at the record. Again I am going to make a comparison on a relative basis using percentages. During the last term of the Liberal Administration, vocational educational expenditures, now this is for vocational schools and the College of Trades and Technology, it does not include the Fisheries College, went from \$7.4 million to \$17.3 million, for an increase of 133 per cent, emphasis on vocational and technical education.

So far during this administration when it is the stated policy of the Minister of Education that they are going to place greater emphasis on vocational and technical education; we have gone from \$17.6 million to \$24 million for a total increase of thirty-seven per cent compared to 133 per cent during the previous Liberal Administration, increased expenditures in the area of vocational education and technical education.

Now, Sir, these figures reflect both provincial and federal money going into vocational and technical education. I say, Sir, in all sincerity, that that statement made by the honourable Minister of Education, that stated emphasis, that stated policy has not been implemented, has simply not been implemented and in fact by his own admission, Sir, his admission of the fact that the Minister of Intergovernmental Affairs has yet to go to Ottawa to try to get them involved in putting DREE funds, or federal money anyway, into vocational education on the basis of vocational wings on existing central and regional high schools.

So, Sir, it is sad. It is a sad joke. It is even sadder, Sir, when after declaring their intention to de-emphasize DREE expenditures in primary and elementary education, when we got school boards on the verge of bankruptcy, the government has not implemented a stated policy of increasing expenditures in the area of vocational and technical education. That is what it must mean. If they are going to emphasize vocational and technical education

presumably this has to be manifested by increased expenditures in that area which we have not witnessed over the four budgets that this administration has presented.

Sir, with respect to student aid, I would like to comment in a general way on that, if I may. Sir, to start off with, I am pleased and I congratulate the government for implementing recommendation (b) of the student brief to the government that was presented some time ago at the university. I cannot remember the exact date. The minister and myself, Sir, had a delightful time on stage. Neither of us played politics, although it was an opportune occasion to do so. We talked about the pros and cons of additional money for the students. We talked about the inequities that exist when you compare different post secondary educational institutions together.

Now the university students are actually the worse off because they are going to come out with huge debts and a lot of our Newfoundland young people, particularly from the more rural parts, coming from low, low middle, lower income families, are frightened to death about going into debt to the tune of \$6,000, \$7,000 or \$8,000 over a five or six year period.

But I commend the government for accepting recommendation (b).

Sir, I cannot commend the government for the statement that I find on page fourteen of the Budget Speech. "This administration will again make substantial improvements in the Student Aid Programme at Memorial, will again make substantial improvements in the Student Aid Programme at Memorial. In 1975-76 an amount of \$3.75 million will be spent on student aid, an increase of \$1.621 million.

Now, Sir, I do not like that statement one little bit because the government has once again left the impression that they are going sky high in improving student aid to the university. Sir, there is something tricky and sinister about that particular statement.

MR. CHAIRMAN: Order, please! Tricky may be sinister. I am sure the honourable member did not mean it in its most gross form. His literal interpretation of it -

MR. ROWE: I was trying to give the Liberal interpretation, Mr. Chairman. I Can not even say it is a complete deception, I understand.

MR. SIMMONS: As long as you do not say it is deliberate.

MR. ROWE: Let us put it this way. It leaves the wrong impression. It leaves the wrong impression, whether it is done deliberately by the honourable Minister of Finance, and that involves another question. But, Sir, let the record speak for itself, Sir, and I hate to refer to statistics but dollars are facts, facts are dollars. But in 1966-67 there was \$1 million made available for student aid; 1967-68, \$2.6 million; 1968-69, \$2.5 million; 1969-70, \$2 million; 1970-71, \$2 million; 1971-72, \$3.7 million. Sir, the total amount of money made available during that period of time, during the Liberal term, was \$15.3 million and the increase over that period of time was 131 per cent, 131 per cent increase since the programme started.

When the P.C.s got in power, Mr. Chairman, it was decreased by twenty-four per cent. It went from \$3.7 down to \$2.8 million. Then it went down to \$1.7 million in 1973-74, jumped a little bit back up 1974-75 to \$2.1 million and it is back up now to \$3.7 million, for a total increase of thirty-two per cent.

Sir, ironically, ironically enough we have now a stated student aid allotment of \$3.7 million which is identical to the amount that was voted in the last year of the Liberal administration.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Exactly. And then the government has the gall -

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Might be an election year yet, Mr. Chairman, never can tell. It has got to be soon, got to be soon, Mr. Chairman.

MR. SIMMONS: The sooner the better.

MR. ROWE: But this government boasts this administration will again make substantial improvements in the Student Aid Programme at Memorial University. In 1970 - Well, I cannot repeat it. It makes me a little bit weak in the stomach.

Now, Mr. Chairman, we predicted the very first year that this administration was in power -

MR. SIMMONS: Inaudible.

MR. ROWE: We predicted, because of the student aid policy, that student enrollment would decrease at the University, and at that time, Sir, we only had one-half of the national per capita average in attendance at our own University. Sir, we pleaded with the Provincial Government to reinstate the Student Aid Programme to at least a level of the last year the Liberals were in power and, Sir, they did not heed our words and we predicted there would be a reduction in student enrollment.

Now, I will be the first one to admit, Sir, that, and I am sincere about this, that the previous Leader of the Liberal Party went too far too fast. It was an impossible dream. You know, it is easy to say in retrospect. It was a dream, a sincere and honourable dream that every Newfoundlander in this Province who was capable of attending the University should have an equal opportunity to get into that University and he came out with a Student Aid Programme that the Province simply could not afford. But, Sir, it was this government sitting opposite who

promised that they would reinstate the Student Aid Programme who got on political platform after political platform during two election campaigns and over at the Student Centre at Memorial and used and then later on abused the students at the University.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Well, Mr. - I think the point of order speaks for itself, Mr. Chairman.

MR. SIMMONS: Explain the point of order to him "Fred".

MR. ROWE: Impossible.

MR. SIMMONS: It would not be impossible to explain, impossible for him to understand.

MR. CHAIRMAN: Order, please! Well, debate on this heading is far ranging, has always been that way and undoubtedly debate on the minister's salary will remain that way for some time. And I doubt very much whether that rule can be effectively enforced. Otherwise, I would be interrupting continuously.

MR. ROWE: Mr. Chairman, anyway, Sir, - Mr. Chairman, it amuses me to hear the Minister of Justice joke about me referring to the past when speaker after speaker after speaker on the other side during the course of this session saw fit to get up and you would not know but Joey was sitting over here the way they were getting on.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Okay, I am out of order, Mr. Chairman, I realize.

MR. CHAIRMAN: Order, please! I believe that the honourable member has now delved into the irrelevant. There are relevant portions of the past but he is into the irrelevant now.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Both, Mr. Chairman. Okay now, Mr. Chairman, the fact of the matter is that we did predict that enrollment would decrease at the university, thus denying young Newfoundlanders



with equal intellectual capacity, denying them an equal opportunity for a university education, not that a university education is everything, but there are many students who did not go to the university directly as a result of the government's student aid policy. Sir, this was confirmed, after we have been talking about it for three years, this was confirmed by the Dr. Llewellyn Parsons Report of 1974. Sir, I can quote from it at length but I will read out the conclusions to the committee.

"Conclusions and recommendations: (This is a study, Sir) career decisions of Newfoundland youth with respect to enrollment at Memorial University. Finances and inequality of educational opportunity at post secondary educational levels: Many students find it increasingly difficult to attend university because of financial considerations. There is a perceived inequality of educational opportunity at post secondary educational levels in that students at vocational and technical schools receive greater financial aid than do students attending university. Many students are reluctant to assume a large debt in order to finance their education. Many Newfoundland families are unable to help students finance their university education. Students, especially those from the middle and lower income groups and those more distant from St. John's, find the cost of obtaining a university education to be increasingly prohibitive.

"Recommendations: Students should not be deterred from entering university for financial reasons. Financial aid provided for university students should be at least comparable to aid given students attending other post secondary institutions." That was the reason, Sir, I had a private member's bill on the Order Paper last year which unfortunately died on the Order Paper in that connection.

"It is recommended that the present plans for the financial aid of university students be reviewed and improved. There is a need to promote all types of post-secondary education in Newfoundland." And then they go on talking about the College of Trades and Technology.

As the university education participation rate in this province is far below the Canadian average it is recommended that the province devise strategies to enable more of our people to attend university.

Sir, this report, at great expense to the university and to the taxpayers, simply confirms what we had been advocating all along, and that is that the student aid programme or policy of this government has seriously cut into enrollment at the university. Now, Sir, I commend the government for implementing recommendation (b) of the student's brief. But, Sir,

AN HON. MEMBER: Inaudible.

MR. ROWE: Well it is quite conceivable, Mr. Chairman, if the minister wants me to answer his question - it is quite conceivable that the rate now - I do not know whether the minister is correct or not, and I do not have the facts at hand - but it is conceivable that the reduction in enrollment at Memorial University might have been less than the rate of reduction in other universities across Canada and the United States. But let me point out one extremely important thing, number one, that universities throughout the States and throughout Canada had an open door policy since 1957, around 1960, the reason being that the Russians stuck a satellite going around the earth, and it was a great technological rush to catch up with them, and the States and Canada had practically an open door policy to catch up with the Russians technologically and then this filtered up to the university. That is one point.

AN HON. MEMBER: Inaudible.

MR. ROWE: That is one point. That phenomenon did not occur in Newfoundland.

The second point.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: The second point. Well if the minister was well versed in education the minister would know very well that the great rate of increase in university attendance throughout North America was directly attributable to the fact that the Russians were thought to be ahead of the Americans in the technological space race. Now that is a fact. I would even recommend the book for the minister. I cannot remember the author - Cohen.

AN HON. MEMBER: Harold Horwood.

MR. F. ROWE: It was not Harold Horwood.

AN HON. MEMBER: Inaudible.

MR. ROWE: Now, Mr. Speaker, once again I have been detracted. I must say the minister has a weird and wonderful way of getting me off track.

Now although, Sir, we on this side commend the government for implementing recommendation (b). We submit that for the government to boast about bringing it back, the student aid programme, to \$3.7 million, the same as it was five years ago has to take an awful lot of gall to get up and boast about it or talk about it. Sir, the damage has already been done in this Province, the damage has already been done. There has been a severe drop in enrollment at the university. Hundreds of young Newfoundlanders over the past four years did not go to the university because they were reluctant to do so because of the financial aid programme or policy of this administration. What is this government going to do about these young Newfoundlanders who did not go to university, and could quite conceivably have had a bachelors degree by this time with four years study in.

Sir, the university has become an elitist university. It has become a university with a reduced enrollment, and sure the students up there are pleased with this announcement by the government. The students at the university are pleased, Mr. Chairman. But what about the people who tried to become students over the past four years who did not get into university, and are not in university, and are

probably now still reluctant to attend university? Sir, the damage has been done. And I think there is evidence to support the contention that students are reluctant to come to this university now, even now, because last year, Sir, the student aid vote was \$3.3 million. And for some unbelievable reason, Sir, the revised estimates this year for 1974-1975 is \$2.1 million. How come, Mr. Chairman, that when \$3.3 million is made available to students, only \$2.1 million is made available.

MR. MURPHY: Inaudible.

MR. F. ROWE: Sir, - Do we have to tolerate it, Mr. Chairman?

MR. MURPHY: Inaudible.

MR. F. ROWE: Do we have to tolerate it, Mr. Chairman?

MR. MURPHY: Inaudible.

MR. F. ROWE: Mr. Chairman, I suggest that the students -

MR. MURPHY: Inaudible.

MR. F. ROWE: - has now become instilled in the students, or the potential students of this Province that they are going to go very heavily in debt in order to go to the university. And, Sir, this was the very group -

AN HON. MEMBER: Inaudible.

MR. F. ROWE: I did not say that. I did not say that at all.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: I did not say that at all. I agree with this, Mr. Chairman, that we have the College of Trades and Technology, we have the vocational schools, we have the Fisheries College, and we have the university, four different post-secondary educational institutions. It is my belief and the belief of my colleagues on this side that all students, no matter what post-secondary educational institution they are attending should have equal educational opportunities to attend that particular institution. This is why, Sir, I had this private members' bill on the Order Paper last year because it takes more than the provincial government - the provincial government cannot afford to give the university students the same student allowance programme

as the Manpower students going to the College of Trades and Technology or the vocational schools. The provincial government cannot afford it, whether they be P.C. or be Liberal. But if the provincial government and the federal government got together and tried to equalize the allowances or the student aid programmes to those post-secondary educational institutions - that is what I believe in. If you ever see students who got to borrow to go to university so should other students, other post-secondary educational students have to borrow. Why should some students get paid a salary for going to a post-secondary institution and other students in another post-secondary institution have to borrow? It is completely unfair.

Now if we want to talk about incentive - somebody put a little bit in - spend some of their own money and get their own education. We all did that. We all did that.

Now, Mr. Chairman, just one more point before I sit down and we deal with presumably the estimates in some detail.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: Mr. Chairman, the grant to the university itself. Sir, the President of the University is extremely unhappy with the increase of \$6 million to the grant to the university. Sir, as I mentioned on a programme with the Minister of Finance there on Sunday, it may look big out of the \$31 million, an increase of \$6 million, but \$2.6 of that has to go to the regional college and for the engineering school, and another programme. And, Sir, the university has been hit with an austerity programme over the past three or four years.

The president of the university said himself that there is less money spent per student -

AN HONOURABLE MEMBER: Inaudible.

MR. F. ROWE: Mr. Chairman, I have to ask for some order in the House because I find it unbearable to listen to the babblings of that idiot over there distracting me from trying to make a point.

MR. CHAIRMAN: Order, please! Order, please!

The honourable member may have been provoked beyond reason, although I did not hear the provocation. There are certain mumblings coming from these few honourable members to my left. I suggest that the honourable member has the right to be heard in silence.

If he makes provocative remarks, well, of course honourable members have the right to reply when he relinquishes the floor.

One other point, of course the honourable member's reference to the Minister of Social Services as an idiot I believe is unparliamentary and I think that the honourable member might - I do not know if the honourable member can rephrase that remark. I think it was untimely and uncalled for.

MR. F. ROWE: However accurate the description, Mr. Chairman, I do withdraw the remark.

Now, Mr. Chairman, just to get back to the university. The university has basically been operating on an austerity budget for a number of years. The president - there has been great growth at the university. I mean, unfortunately we do not have the private money coming into this university that some other universities in Canada do have. I have been around to the various campuses on the mainland and to be quite frank with you, physically they have facilities on these other campuses that are far, far superior on many of these campuses to what we have here at our own university. The president has said himself that they are spending less per student at the university than any other university in Canada.

Now, Sir, if that is a fact, and we are amongst the ten largest universities in Canada, in the final analysis we can only

assume that the student and the quality of education in that institution is going to suffer. Now, whilst I agree with the Minister of Education that mortar and concrete and bricks and vinyl are not necessarily directly related to the quality of education, it is nice to have a certain standard. The university, Sir, cannot cope with the students that it has presently enrolled with this particular budget. I am pleased, Sir, that the university has seen fit to make its budget public because there are those who are suspicious about how certain monies are spent at the university. I taught at the university for a number of years, and I did not always agree with the way certain monies were expended, but now that the university is opening its budget to the public, and I hope in some detail, this will restore the people's confidence in what is going on at the university and hopefully the people of Newfoundland will more readily be prepared to financially support our university so that we can have a university that is second to none in this nation of ours.

Now, Sir, I have honestly gotten up and sincerely made a number of points. I have tried not to be political. I have not taken on the minister personally. I have not viciously assaulted the administration. I have not exactly been Churchillian. I could not be a quarter or a half a Churchill, but I have put forward a number of positive, concrete recommendations, the most important of which I consider to be this concept of a crown corporation.

I pointed out the record of the past last term of the previous administration and the record of this one in the field of education. I have used relative rather than absolute figures for a true comparison. Sir, I can honestly say - I am not just reflecting my own inner feelings but also the feelings of a lot of people in the field of education with whom I have spoken - that they have been sadly let down by the lack of leadership in the field of education and the educational policies of this particular administration.

Sir, it would have been much better if the Progressive Conservative Party in their campaign to get elected had leveled, had been a little more candid with the people of this province and would



have been more consistent with their claim that they were inheriting one heck of a mess. If they were inheriting such a mess, Sir, if the province was on the verge of bankruptcy as was stated by the then critic in finance, now the honourable the Minister of Fisheries, and other honourable ministers, if the province was close to bankruptcy in 1971-1972 I cannot see how they could have made the promises and raised the expectations of the teachers and the students and the educators of this province to the extent they did.

Sir, it was done. In some cases, Sir, it was done without even having to make a promise. They were the champions of the teachers. They were the champions of the students at the university. Everybody knows where the majority of the teacher's votes and the student's votes went during that campaign. Mr. Chairman, it would have been much better if the administration of this day had to have levelled with the people and say, we will not raise your expectations in this field or any other field. What you get from us will be in fact what we have seen. But the expectations were raised, and there are a tremendous number of disillusioned people in the field of education at this very moment.

Sir, with those concluding remarks on the salary vote I will take my seat and give the minister an opportunity to reply if he wishes, or other members.

On motion 601-01 through 603-02, carried.

MR. OTTENHEIMER: Mr. Chairman, I will just make a general explanation here. These are the regular scholarships and bursaries which are awarded each year by the Department of Education. It will be noted that there is a - that is in all of these. It will be noted later on that under the French language bursaries there has been quite an enormous increase and that of course is with the participation of the federal government.

On motion, 603-05 through 604-02-01, carried.

MR. OTTENHEIMER: 604-02-02 Mr. Chairman, on (02) I would like to make a brief comment there, that is essentially the text books and as honourable members know grades seven and eight will be free this year and that is for the regular text book programme for various grades.

AN HON. MEMBER: For all grades?

MR. OTTENHEIMER: All grades. No, this is a provision of monies for text books for all grades, but only up to eight are free.

AN HON. MEMBER: One to three.

MR. OTTENHEIMER: Yes, up to eight, right, from kindergarten to eight are free.

MR. HICKMAN: Then they go back to the schools.

MR. OTTENHEIMER: Yes, they are done on a loan basis and I guess the average life would be between three and four years, essentially.

MR. MURPHY: It will not cost the parents one cent for books.

AN HON. MEMBER: Inaudible.

MR. OTTENHEIMER: That is correct. That is correct.

MR. CHAIRMAN (DUNPHY): Shall 604-02-02 carry?

MR. SIMMONS: Not yet, Sir.

MR. CHAIRMAN (DUNPHY): The honourable Member for Hermitage.

MR. SIMMONS: Mr. Chairman, on 604-02-02, distribution of school supplies, perhaps it is the appropriate time to ask. First it is the appropriate time to congratulate the minister on having a much better left-handed partner than he normally has but on 604-02-02.-

MR. OTTENHEIMER: The Minister of Justice is getting angry.

MR. HICKMAN: That is right.

MR. SIMMONS: I wonder would the minister -

MR. MURPHY: Mr. Chairman, if I may to a point of order, could we have that explained? The Deputy Minister sat on the left hand.

I do not know if it is any reference to the deputy minister -

MR. SIMMONS: I congratulated the minister on having an excellent

left-handed partner for a change, Mr. Chairman.

MR. HICKMAN: That is a backhanded compliment.

MR. ROWE: Backhanded compliment.

MR. CHAIRMAN (DUNPHY): That is not relevant to (02).

SOME HON. MEMBERS: Inaudible.

MR. MURPHY: Inaudible.

MR. SIMMONS: Are you finished? Are you quite finished?

MR. CHAIRMAN (DUNPHY): Order, please! Order, please!

MR. SIMMONS: Mr. Chairman (02-02), I wonder would the minister give us some indication as to what the situation is now on the school supplies division? There have been, it is a traditional area for complaints over the years and I have heard some quite recently and in the last week I saw some correspondence on this matter.

Could he indicate to us how the organization of the division is coming along and exactly what the situation is as of now and so on?

MR. OTTENHEIMER: Yes, Mr. Chairman, and the honourable gentleman is quite correct. There have been some difficulty and especially, I think, the September before last or that academic year and in some cases, and this is not the present academic year, the previous academic year, and in some cases some schools went a number of months before getting all of their text books. I think that that was largely attributable to, well some of it certainly was attributable to strikes on the Gulf and the backlog of freight and shipments and also I believe to paper shortages.

I think the present academic year there has been much less in problems there but certainly in some cases there have been problems. What we have endeavoured to do is to see, especially in the larger areas, whether boards might not themselves wish to look after the distribution. Whereas we would do the ordering, they would be sent to the boards and the boards would look after the distribution

and we did that on an experimental basis on the West Coast, starting in this academic year, and that seems to have worked out quite well.

I am aware that there are some distribution problems. I think I am quite accurate in saying much less so this year than last year. We will do our utmost to minimize them even further.

MR. ROWE: Just before we leave that subhead, Mr. Chairman, I would just like to straighten one thing out, You know, this is not a free text book policy. It is not a free text book policy.

MR. MURPHY: Do the students have to pay for them?

MR. ROWE: It is as simple as that now.

MR. MURPHY: Do the students pay for them?

MR. ROWE: Mr. Chairman, if he would just - you know -

MR. SIMMONS: Keep quiet there. Keep quiet for the Lord's sake.

MR. ROWE: It is not a free text book policy. Free means giving something away and then the person keeping, going away with it. This is a loan, a text book loan policy, and let not the word get out that this is a free text book policy.

MR. MURPHY: How much do they pay for them?

MR. ROWE: The students are loaned.

MR. SIMMONS: Listen to him boy. You might learn something.

Chances are slim.

MR. ROWE: The students are loaned, now the minister can correct me, I am quite willing to debate with the minister, Mr. Chairman, but I am not willing to get into, lower myself down to get into some sort of an argument, a foolish debate with the honourable Minister of Social Services. Now when his estimates come up we will debate him. But unless he is spokesman for education, I submit, Sir, that I have a right to ask the minister a question and make points without interruptions from the Minister of Social Services. Is that correct, Mr. Chairman?

SOME HON. MEMBERS: Inaudible.

MR. ROWE: Now, let us set the record straight on this. It is a government text book loan policy, which is good, because the students do not have to pay for, but neither do they acquire, a text book or a book. Now there is a vast difference.

Now another important thing, Mr, Chairman, there are two things about this kind of a policy, It is an improvement. It helps families who cannot afford to buy text books. Students borrow the text books for a school year. Fine and dandy.

Now the first question, are there many serious complaints from students having to use used books? You know, that is number one point. Number two point, are there any students, there are some students from some families who are desirous of keeping text books that they study over the years, for some reason or another, either for the use of their younger kids or just because they want to accumulate a library, is there any provision built into this particular programme for students to keep their old text books or do they have an option to buy if they wish? If so, I mean I would like to hear from the minister. But let us get one thing straight, it is not a free text book policy.

AN HON. MEMBER: How much do they cost?

MR. ROWE: Look -

MR. CHAIRMAN (DUNPHY): Order, please!

MR. ROWE: Mr. Chairman, they -

AN HON. MEMBER: Inaudible.

MR. ROWE: Do you want to borrow the estimates Mr. Minister? You can borrow my estimates for absolutely nothing but you will not own them. You are not getting it for free. There is the difference.

MR. DOODY: How much does it cost to borrow them?

MR. SIMMONS: That is not the point boy.

MR. ROWE: There is no interest rate on them.

AN HON. MEMBER: Is there a point?

MR. SIMMONS: Sure. It is a loan, not a give away. Explain it to them "Fred".

MR. OTTENHEIMER: Mr. Chairman, I comment on the first two matters, the last two items first. Whether there is the option to purchase, yes there is. A pupil may purchase but he may well have to do so through school supplies division, which is merely a matter of writing the letter and having it sent, but certainly they may purchase if they so wish. With respect to are there objections by pupils because they are using, in many cases, text books which have been used, I am advised that there are not during the past couple of years. That initially, and this would be some years ago, there were some objections but within the last couple of years there have not been any objections or certainly none which would have reached, you know which would have gotten to the department, none of any substantive nature.

With respect to whether text books are free or not, I think honourable gentlemen will agree that to a certain extent, semantic, they are free to the school boards. Right. They are free to the schools. The books are free in toto, free to the school boards. The books are free to the schools. Their use is free to the pupils. They remain the property of the school board and the use is free to the pupils.

MR. DOODY: How much do they cost the pupils?

MR. OTTENHEIMER: Nothing.

MR. DOODY: How much do they cost the school board?

MR. OTTENHEIMER: Nothing.

MR. DOODY: That is free where I come from.

MR. MURPHY: This year the taxes will pay for the books. Do I understand that Sir?

MR. OTTENHEIMER: Yes, my colleague has asked an important question and I think puts a very good light on it there which perhaps puts it, what I refer to as semantic matter, in a better perspective. After the policy of free text books went to include grades four to six last year, there were 44,000 pupils whose parents previously would have had to pay seventy-five

per cent of the total cost and after this year, after April 1 of this year, then when Grade VII and Grade VIII become free, there will be 28,000 pupils whose parents will no longer have to pay for the textbooks.

AN HON. MEMBER: (Inaudible).

MR. OTTENHEIMER: No cost whatsoever to the students.

AN HON. MEMBER: (Inaudible).

MR. OTTENHEIMER: It would average for Grade VII and Grade VIII, it would be between \$10.00 and \$11.00. That would be a rough estimate. It would be \$10.00 and \$11.00 for Grade VII and Grade VIII. For the other grades, it would be somewhat lower.

MR. SIMMONS: Now, Mr. Chairman, of course, my colleague, the Member for St. Barbe North, was being kind again. He had no idea he was going to open up a session where the minister would have once again to educate his own colleagues. We understand, and I think anybody who wants to read the estimates will understand exactly what the cost saving is to the parent and that kind of thing. That is not the issue.

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: Semantics, or call it what you will. It is a free loan, not a free give away, and that is not playing with words. It is a loan. It is the property of the board, acting for the department in the matter, and it is not now and forever the property of the student who handles the book during the year, and that is the point. We realize that there is no cost to the youngster who carries the book home every night. That is not the point. We are all quite clear on that, but it is a loan policy in every sense of the term, and no amount of playing with words on the part of the minister can change that or making light of it. It is a loan. It is not a gift. It is not a give away. The youngster does not own the set of books. He has them for the year, and he returns them at the end of the term.



MR. HICKMAN: Do you think the youngster could survive the fact that he does not own the books?

MR. SIMMONS: Mr. Chairman, the minister will have the opportunity of making his maiden speech one of those days, one of those years. We are looking forward it.

MR. MURPHY: You cannot afford not to.

MR. SIMMONS: Yes, I am sure, I am sure.

MR. MURPHY: (Inaudible).

MR. SIMMONS: Mr. Chairman, while we are still -

AN HON. MEMBER: (Inaudible).

MR. CHAIRMAN (Mr. Dunphy): Order, please!

MR. SIMMONS: While we are still on the same subhead, the distribution of school supplies, I wonder if the minister would just indicate to us how much - how shall I say it - the textbooks that are not on the prescribed courses of study, those textbooks for which boards seek particular approval for individual courses in lieu of textbooks which are on the prescribed list, I would say, or the permitted list, or whatever it is called these days, is that phenomenon growing? Is it growing very substantially? Are there increasing numbers of textbooks which are now included in this budgetary item as a result of initiatives being taken by boards? Could the minister indicate to what extent it is growing?

MR. OTTENHEIMER: Mr. Chairman, I am very pleased to inform the honourable gentleman that there is an increasing use of textbooks, which may not be in the prescribed syllabus, where school boards and teachers and educators are taking the initiative in diversifying curriculum in using their own imagination and insight and judgements, and this is all to the good, to be encouraged. As far as I know the department does everything possible to encourage this. The financial arrangements would be the same for such texts. In other words, if they are free, they would be free. If they were in the classes, they would be free. If they were for IX, X and XI, then they would benefit from the seventy-five per cent subsidy.

On motion 02-02, carried.

MR. CHAIRMAN (Mr. Dunphy): Shall 605-03-01 carry?

MR. OTTENHEIMER: Mr. Chairman, this is a matter on which the Hon. Member for St. Barbe North made some comments earlier, and I would like to comment briefly on it. There are a couple of points he made there, and I think this is the appropriate place to do it.

One, and this has taken some slight - now I do not think I am - I was going to say I was taking some slight latitude with this particular subhead but I do not think I am. This is teachers' salaries. The honourable gentleman asked about the \$20 million which was referred to as the cost of implementing the new teacher allocation programme, and the explanation for that is that that is a cumulative amount. In other words the amount for phase one last year, phase two this year, phase three next year, the amount cumulatively from when it began its implementation to when in fact that programme will be fully implemented. So that is what it is. Only part of it would be in this vote here. That figure which is used in the budget speech of \$20 million is cumulative and refers to last year and next year, as well as this present fiscal year that we are doing now.

AN HON. MEMBER: (Inaudible).

MR. OTTENHEIMER: Approximately.

MR. F. ROWE: It is not the total for 1978, but the total for the accumulation up to that point.

MR. OTTENHEIMER: Right. There will be approximately two hundred this year, three hundred fifty or so next year, I believe -

MR. F. ROWE: You mean up to -

MR. OTTENHEIMER: - and the difference last year. So that \$20 million, really, is not something that in these estimates one can identify with any precision, because what it really does is it refers to the cost over a three year period. Right.

Now the other matter on this subhead the honourable gentleman had a comment on, and that was a general wondering to what extent

or how one could relate this vote to whatever increase in salaries might result from the collective bargaining. And all I can say to that, and I think honourable members will realize that to say anything more would be quite improper, and that is that the collective bargaining process, which this administration was very pleased to introduce, which since its introduction, has been working well, and which we hope will continue to work well -

AN HON. MEMBER: (Inaudible).

MR. OTTENHEIMER: - that is its own entity and that collective bargaining is going on now, and I think it would be improper for me to say anything further. This is an estimate which is put in, as indeed we are obliged to. Collective bargaining is going on for teachers and for others, and I do not think it would be proper for me to say any more than that.

MR. F. ROWE: Mr. Chairman, could the minister then indicate what proportion of that \$97 million would be taken up by, one, the natural increments, because of the salary scale, that is the increments, approximately how much of it would be chewed up? Secondly, how much would be taken up because of increased qualifications of teachers? And then, thirdly, of course, the latest thing that he was talking about, how much of this would be taken up by the 200 new teachers going into the educational field this year? There is an increase of \$20 million for the salary vote this year. How much of that \$20 million is being taken up by the yearly increments, improved qualifications and the 200 new teachers, just a round figure?

MR. OTTENHEIMER: Mr. Chairman, I really cannot answer that because of my previous statement that it would be improper for me to say anything. Number one, quite apart from that, you know, I do not know what the percentages are.

MR. F. ROWE: (Inaudible).

MR. OTTENHEIMER: You know, I do not know what the percentages are. If I were to ask an official of education, you know, or finance or someone to endeavour to work them out, perhaps they could but quite apart from

that, I think, and the really operative part, is that I cannot comment on that because to do so would, I think, be improper in the light of the fact that collective bargaining is now going on. I should point out that I think it would be improper and irresponsible for, number one, anyone to, you know, suggest to the government, well, you know, what amounts are going to be arrived at or could be arrived at or should be arrived at or what do you think the settlement will be or could be or should be or that type of thing. This is a process where both sides, within a legislative framework, in the Collective Bargaining Act, and within the framework of precedent and custom, carry on these negotiations, each in good faith, each hoping to reach a settlement which is fair and equitable, and which is livable by both parties. And I think

to say anything further or to endeavor to break down that amount of \$97 million it would be improper, bearing in mind that collective bargaining is now going on.

MR. F. ROWE: Mr. Chairman, I cannot agree with the minister in suggesting that it would be improper to indicate to this committee how much money the government expects to have to spend because of the natural increments in salaries, the increased qualifications of the teachers and the 200 new teachers going into the field. There is nothing improper about that at all, Sir. If that is improper, it would be improper for him to put the \$20 million increase in that budget to start off with. You know, there is a \$20 million increase there over and above last year which works out to a twenty per cent approximately increase.

Now, one could quite get one, and I do not suggest that this is irresponsible, one can get up very quickly and quickly come to the assumption that the maximum salary raise, average salary raise, that teachers can be expected to get this year would be something less than twenty per cent.

AN HONOURABLE MEMBER: That is very irresponsible.

MR. F. ROWE: That is very irresponsible for me to say that, for me to make that casual observation which any fool can make. Now, I am asking the honourable minister if he could indicate - I mean, the \$20 million increase must have been based on some rationale or it would not be in there or it would be \$30 million or \$40 million or \$50 million or \$60 million additional. But there is \$20 million over and above the last year's vote. Now, I am simply asking the question if the minister can indicate to this House how much of this - well, obviously the minister does not have the answer. It is as simple as that.

Let me ask the minister this question. In view of this twenty per cent increase, if I have my calculations correct here, in the vote under salaries of teachers and superintendents, would it be wrong to suggest or conclude that the maximum average salary increase

that the teachers can expect is something less than twenty per cent? If not, is the government prepared to modify up or down that particular salary vote?

MR. OTTENHEIMER: Mr. Chairman, I think it would be quite wrong and quite improper and irresponsible to make any assumptions of any kind with respect to the collective bargaining which is now going on in the collective bargaining agreement.

AN HONOURABLE MEMBER: Inaudible.

MR. OTTENHEIMER: Right. It was this administration which brought in collective bargaining and obviously we do not wish to do anything to undermine it. I think to indicate, you know, what percentage of that or what amount of that might be there for natural increments, or what amount might be there for the teacher allocation, or what amount for increased qualifications, or what amount for increased salaries, because after all I think that is what honourable gentlemen are trying to get at, what amount is in there for increased salaries.

AN HONOURABLE MEMBER: No.

MR. OTTENHEIMER: I suggest that for me to make any further reply different than what I have made - I further suggest that for honourable gentlemen opposite to persist that they are, whether knowingly or unknowingly, I do not know, whether knowingly or unknowingly - it may be the latter, hopefully it is the latter - but they are in fact, whether with knowledge or without it, endeavoring to circumvent and undermine the collective bargaining process. That is the effect, whether it is entered into knowingly or unknowingly.

AN HONOURABLE MEMBER: Inaudible.

MR. F. ROWE: No, Mr. Chairman. I cannot let the minister get away with that accusation at all. This government has taken great pride in bringing in the collective bargaining process for the teachers. For that they have been congratulated by this side of the House, but there is a salary vote in the Department of Education for teachers and superintendents. I base my percentage increase on the \$97 million, by the way. I just made a quick calculation here and realize that it really is a thirty-two per cent increase if you use the base of seventy-seven of last year. Thirty-two per cent increase, great stuff.

AN HONOURABLE MEMBER: Inaudible.

MR. F. ROWE: Anyway, whether it is twenty or twenty-five or thirty-two per cent, what is the use of a collective bargaining process when there is an upper limit put on the amount the teachers can go for. There is an upper limit here. There is \$20 million extra. So, the teachers have been told the maximum for which they can go. Now, we are asking the honourable minister what is that maximum. Now, is that an unreasonable question? Is that going to jeopardize the collective bargaining process? It is?

MR. CROSBIE: Will the honourable gentleman permit a reply?

MR. SIMMONS: Sit down "Crosbie". Sit down.

MR. CROSBIE: You have asked the question now about five ways.

MR. F. ROWE: The minister puts in an extra \$20 million for the salary vote for teachers thereby indicating to the NTA what the extra amount is and any amount, any person up there in the NTA office can sit down with an adding machine or calculating machine and calculate what the maximum percentage increase that they can expect this year by reading this very vote. Then the minister has the gall to get up and say we are jeopardizing the collective bargaining process and the welfare of the teachers, and all this garbage.

The fact of the matter is, Mr. Chairman, that this administration is the group of people who have put in the \$20 million, nobody else. That can be interpreted by the NTA or by anybody else in this province and by a simple calculation taking into consideration the qualifications of the salary grades of the teachers, the number of teachers in this province - the NTA have down in their office now, I submit, the maximum amount that they can go for under this salary vote. They have the maximum amount.

I am simply trying to find out from the minister how much of that \$20 million will go for increased qualifications, the natural yearly increments and the 200 new teachers. That is all I am asking. That is how we have arrived at this argument.

MR. CROSBIE: Mr. Chairman, the honourable gentleman knows, of course, that he is not asking a question. Surely he cannot be asking for information -



MR. CHAIRMAN: (DUNPHY): Order, please!

MR. CROSBIE: There is no rule, Mr. Chairman. Everyone who sits in this committee is entitled, Mr. Chairman, to speak to this committee. If I want to speak for the next two hours, the honourable gentleman will just have to sit there and listen, and I very well might speak for the next two hours on this item. Now, Mr. Chairman -

SOME HONOURABLE MEMBERS: Inaudible.

MR. CHAIRMAN (DUNPHY): Order, please!

MR. CROSBIE: Mr. Chairman, the honourable gentleman for St. Barbe North pretends to be asking a question. Now, he is not so lacking in knowledge that he knows the answer to it. These things here in this book are called estimates, e-s-t-i-m-a-t-e-s. That means you estimate what you are going to spend next year. So, the government comes before the House and the government says, this is what we estimate in this vote it will cost the province for teacher's salaries next year. That is what this is. It is an estimate, the best that we can give now.

We do not know, Mr. Chairman, whether there is going to be \$97 million. We will not know until the collective bargaining process is finished. It may be \$97 million. It may be \$95 million. It might be \$100 million. This is our best estimate of what it may turn out to be. No government in the North America, Mr. Chairman, can do any better because of the new system of collective bargaining that has grown up in the last five or ten years. So, all we can do is estimate what teacher's salaries will cost when the collective bargaining is over, the same as we are estimating what school supplies will cost.

Now, the honourable gentleman says, is this setting the ceiling. He said, are you setting the ceiling. There is \$20 million and no more. The honourable gentleman knows we are setting no ceiling. The honourable gentleman knows that last summer we gave a cost of living increase because of the unexpectedly rapid increase in the cost of living caused by the government at Ottawa, not by this government, or at least

nothing done about it. They have not prevented it. Last summer we gave a cost of living increase that cost the province \$7 million or \$8 million and which we had to ask for supplementary supply for which is authorized by letters patent. That was not in the estimates. That was unanticipated, and had to be done during the year. It was felt that it was only fair and proper that it be done. So, this is not a limit. If the collective bargaining turns out the final results accepted by both parties, that it may cost

more during the year then there may have to be supplementary supply. This is the best estimate that can be given now, but it would be extremely incautious and unwise, Mr. Chairman, of the Minister of Education or any minister on this side to say that we have allotted in this figure of \$97 million "x" million for possible increases over the collective bargaining table and strengthen the other side with the knowledge that already it is being conceded that "x" million is going to be given to them by the bargaining, to the team that sits across the table from them. What kind of collective bargaining process would that be, if the government said to all the groups that they negotiated with, gentlemen, we are allowing twenty per cent or we are allowing twenty-five per cent or fifty per cent but we hope to settle with you for less. Now we hope you are going to be good, you know. We are allowing in our estimates for fifty per cent but we are hoping to settle for ten. Now, that would be - you know, how foolish and how stupid and how crazy and how much against the public interest would that be.

So, \$97 million is the estimate of what teachers' salaries will cost this year. Some of that is because of some teachers upgrading themselves and getting automatic increases through that. Some of it is because of what is likely to be done in collective bargaining negotiations and some of it because extra teachers are being taken on due to the policy of the Minister of Education to lower the pupil-teacher ratio in this Province, as he did this year that is just ending. He is going to do it next year and going to do it again. He does not care about what it costs. I can assure this House, Mr. Chairman, the Minister of Education is the most spendthrift of the whole crowd in the Cabinet. My God! What a relief it was to get out of the Treasury Board where that man was always sneaking in behind your back - another million here and another million there. All he

thinks about is education. All he wants to do is spend money. Lash it to the teachers! Lash it to the school boards! Lash it to the denominational education committee! Lash! Lash! Lash! All he has done since he got into the portfolio was lash out the money. The man is a plague. He is a plague on the Treasury Board. He is a torment to the government. He is a thorn in the side of the government. He got the Premier worried sick. The Premier does not know what to do next. Every time he turns around the Minister of Education - what about \$50 million here and \$20 million. That is what we are dealing with in this government. A spendthrift, a spendthrift, The Minister of Education who does not hesitate to spend \$230 million.

Teachers - every time he sees a teacher he wants to give them more. I mean he cannot be allowed at the bargaining table or we are finished altogether.

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: It is a terrible job, Mr. Chairman, to keep that minister under control. Therefore, the answer is that there is considerably more money in the estimates this year for teachers than there was last year, but it is no good asking questions as to how much is the government thinking it is going to cost to reach agreement with the teachers. We know the teachers are going to look for an increase and the government is going to give an increase that is reasonable and where that will all end up, we do not know. The Treasury Board of Canada did not know but they are going to settle all the salaries for the Government of Canada this year. They do not know yet what they are going to settle with the Public Service Alliance or the 18,000 they are having problems with now.

We did not hear Opposition Members up in Ottawa spend half the year up there nit picking and nit twitting at the minister

up there to say, how much are you allowing for the airport firemen, or what kind of an increase are you going to allow for the fellows that clear the runways and so on and so forth. They do not do it.

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: Only one good thing about that strike, that stike. The honourable gentleman from Labrador North was kept out of the House for about a week. That is the one high point of the harrassment the public has been suffering the last few weeks from the public airport strike.

MR. SIMMONS: It is all relevant, eh? All relevant or is this Crosbie's rules we are following now. Crosbie's rules now.

MR. CROSBIE: All worth talking about - teachers. Mr. Speaker,

MR. WOODWARD: (First part inaudible) EPA - pick me up, I am sure.

MR. CROSBIE: EPA, I am trying to arrange for them to drop you off. Pick you up first and then drop you off.

MR. CHAIRMAN: Order, order, please!

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: But we are really glad, Mr. Chairman, we are delighted to have the honourable gentleman from Labrador North here. We are only kidding, of course. I do not want a headline in the paper tomorrow saying that we are delighted he was not here. We were disappointed and sorry, broken hearted. But now I hope that I have clarified that point, Mr. Chairman. The Minister of Education, the biggest spendthrift, the biggest lasher of the public funds in the Province cannot give any more information than he has already given.

AN HONOURABLE MEMBER: On a point of order.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: - well, Mr. Chairman, you know, I certainly will not have to look at All in the Family and Archie Bunker this week after that bit of entertainment. Mr. Chairman, you know, the Minister of Fisheries has answered my question that I have been

asking of the Minister of Education. Probably the Minister of Fisheries should be Minister of Education. This is all I was asking, you know, whether this was the limit or not for teachers' salaries this year.

Now the Minister of Fisheries has kindly answered my question. I wish he would explain it to the Minister of Education if we run into the same difficulty in other estimates in the Department of Education.

SOME HONOURABLE MEMBERS: Hear! Hear!

On motion, 03-01 carried.

MR. CHAIRMAN: Shall 03-02 carry?

MR. SIMMONS: Mr. Chairman, Mr. Chairman, not quite. On 03-02, the operating grants, I meant to make these comments earlier on the minister's salary. I will get them in here instead.

I believe my colleague, the Member for St. Barbe North has covered quite adequately our positions as they effect education spending, both in relation to capital and operating costs, but I just did want to reinforce one or two of the things he said in terms of operating grants. I strongly feel that the present system of operating grants and bus transportation grants and the present system of allocating teachers is still fairly discriminatory, discriminates a fair degree against the less urban parts of the Province. For example, as long as school boards have to meet a portion of the cost for bus transportation it means that that amount of money in effect is coming out of operating grants and is therefore not available to those boards which, by definition, are usually the rural boards, are the rural boards. That amount of money, that five per cent, is money that, in other areas, gets to be spent on programmes as such.

To say it in another way, in the more rural areas of the Province the school board is spending a substantial amount of money on just delivering the student to the school door, a fairly substantial

amount on a per capita basis in just getting the youngster to the school before they begin applying the remainder of their funds to the actual school programme itself. I very much endorse what the Member for St. Barbe North has put forward as our position, the idea of the concept of having education or the basic standard programme financed at the provincial level, whether out of the general tax revenues of the Province or in some kind of an educational funding corporation or whatever. That is certainly a matter that will have to be discussed in terms of the merits of the perspective approaches. But there ought to be, and I believe it is long overdue, some basic standard of education. It is called by various names in various places, foundation programme and that kind of thing. But there ought to be a funding, a complete funding of a basic standard all across the Province without any reference to the local ability to pay whatsoever.

In addition, Mr. Chairman, I think we should always reserve to the local area the right to augment. There ought to always be some provision for local initiative, not the option of taxing locally. I am not suggesting that at all, but there ought to be always on the statute books the provision for local initiative and, therefore, some local funding. If people in a given area may be more affluent or more concerned about education or for whatever reason, they ought to have the option to do some additional funding at the local level.

AN HONOURABLE MEMBER: Voluntary or -

MR. SIMMONS: Sure, by all means.

MR. OTTENHEIMER: Does he mean that in a specific area which might opt for additional involvement, that there would be a statutory reference for it that parents or residents either would be required if that school board area wished it or that it would be totally voluntary.

MR. SIMMONS: No, Mr. Chairman,



I believe my colleague for St. Barbe North stated this on many occasions, and I certainly endorse our caucus policy on that, I took part in formulating it. It ought to be voluntary, of course. What I am saying in effect is, it is one thing to have a basic standard financed provincially but when that becomes so inflexible that there are people in a given area who through affluence or through a particularly acute concern for education or a high degree of consciousness in terms of educational standards and so on - for whatever reason they may as a group want to augment - it could get down, certainly not in total, but in part it could get down to donations. There may be somebody, for instance, who is particularly wealthy and who has a particular emotional attachment to a school or to a school area, and the board should not be prevented from receiving funds which come to it either by way of endowment or in whatever way, in addition to that which it would receive from the general revenues of the Province.

So my point really is two pronged; one, there ought to be a basic standard of education available as equally as possible, there are always problems when you are dealing with differing areas and differing sides of a community. But there ought to be a provision so that people all over this province without any particular reference to their geographic domicile, the area of the province in which they live, they ought to have a fairly equal access to educational opportunities. Now I realize from some background in education that it is easier to say that than it is to do it. We can edge a little closer to the goal by going completely provincial in terms of funding of that basic standard. That is the first prong.

And to repeat, the second prong obviously is that let us always, let us not make it - let us not rush to provincial funding to the extent that we make it inflexible, inflexible to the degree that the school boards cannot receive voluntary contributions, inflexible to the degree that the local people cannot take their own initiatives either as I say through affluence or through a particularly high degree of concern about educational standards in their area. Let us not make

it so inflexible that the board would be prevented from augmenting the funds that they would receive by virtue of the provincial funding of it. But I believe, Mr. Chairman, the time has come when we ought to be thinking very, very seriously about doing away completely with the local forms of taxation and school assessment, and that kind of thing. My colleague has already made the point on many occasions about the high cost of collection of these school taxes. I know one tax authority, the one that I was connected with, if you like, while I was involved in the Green Bay area, the Green Bay School Tax Authority, where the cost of collection is approaching twenty-five per cent - the cost of collecting the taxes - just about one dollar of every four dollars goes to pay the salaries or the office, the administrative cost, that kind of thing. So one dollar of every four dollars never gets into education as such. It never gets to be applied to educational programmes or to the actual cost of operating schools and related cost.

Now that is too high a cost. I am not saying they are extravagant. I am not saying they are being flippant in their expenditure of funds, and perhaps they need every cent and perhaps they should be, in terms of the welfare of the employees, involved and so on. Perhaps they ought to be paying more than one dollar in four.

But in terms of the overall reason why we have school tax authorities, it is not to provide jobs for school tax authority people per se. It is not to give additional mail volume to the post office. The overriding reason for it is to find additional money for education. And in that context, Mr. Chairman, there are less expensive ways, and more efficient ways, and more productive ways to collect money for education. Now the easy way out, the easy criticism, the irresponsible criticism, the irresponsible aside to this, Mr. Chairman, is the one that quite predictably was being interjected earlier this afternoon by the Minister for Social Services, who is particularly adept to that kind of thing, the suggestion about increasing taxes and that kind of thing.

Now this money has already been spent, X millions of dollars has already been collected from the pockets of the people all over this country. Our plea is let us make it equitable, number one. We are not saying collect less money or more money. We are saying, let us reorganize it so that the money which is being taken in in Green Bay, as I mentioned, and in Lewisporte, in the Notre Dame Tax Authority, and the Terra Nova one, and all the others across the Province, and Corner Brook and so on, instead of taking it in now from eighteen or twenty or however many tax authorities there are at the present time, let us take it somewhat, perhaps from the same people if that is the way we have to do it, but that opens another discussion which we will not get into right now. But the money is being taken out of private pockets any way. So the least we can do is take it in a way that more of it will find its way back into the school programme than

is the case at present. As I say the easy, the almost cowardly irresponsible approach is to say, haw, haw you are in favour of increasing taxes. That is not what we are talking about at all. And I think the Minister of Social Services knew that today when he interjected on that point. That is not what we are talking about at all.

We are saying right now an amount of money, X dollars is being collected. And we all know it is through school tax authorities and through school assessments. Let us devise a way so that we collect that amount, or some more, or less for that matter. But let us devise a way so that the money we are collecting in the name of education gets spent for education.

MR. F. ROWE: Right.

MR. SIMMONS: I believe all of us in this Committee tonight, Mr. Chairman, know and are willing to admit that the way we are doing it now in terms of school tax authorities and school assessment collections is not the most efficient way, it is not the way which offers or provides or results in the greatest return in terms of dollars for education.

And for that reason, Mr. Chairman, and the others we have outlined, we strongly feel at this point in time that we should take

a good hard look. We know there are disadvantages. We know there are problems. If there were an ideal solution somebody would have thought of it long ago or tried it, or implemented it long ago. We are not holding it up as the ideal. We are saying that this present method of school taxes and school assessments, and this present method of allocating grants to boards and bus transportation grants - that whole bit - I am talking about two essentially different items, I realize, but I am putting them together because they give you the same end results, a very inefficient and not as productive a system as one could have if the financing were re-oriented, re-organized somewhat. And it requires, Mr. Chairman, something more than the flippant kind of remarks we have been getting from the minister on this point where he essentially says all of the time, ah, I caught you on that one, and ah! what you mean is this, and that kind of flippancy. He is capable of a lot more than that, Mr. Chairman.

I would hope that at some point he would tell us in sincere, unclown like terms his honest thinking on the subject, Mr. Chairman, to see how far he has pursued this, what he thinks of it, and you know if he has got some reasons that we have not thought of, of why it is completely unworkable, well by all means let him do us a favour and tell us to get off this bit of wild, crazy thinking.

At the moment, Mr. Chairman, I think there is a better way, and I think that way can be found by going the provincial route that we have outlined where the funding for the basic standard we have talked about would come from provincial sources out of the general revenue sources of the province, or from a separate corporation whose responsibility would be to address itself to educational funding.

Well that is one, Mr. Chairman, that I would like the minister to respond to in a moment.

Just to touch back very briefly on something I alluded to just a moment ago, the matter of quality of education. I believe and had we the time I could go into it in some more detail but I believe that the

quality of education suffers in the less urban parts of the Province directly as a result of the present method of allocating teachers' salaries in this, the present bus transportation allocations and their method of it, and the present operating grant system. I believe the quality of education which the youngsters in the less urban parts of the Province have available to them, that quality is lower than it ought to be, and could be jacked up substantially if we had provincial funding, and if we had - and I introduce here the one little thought that I skipped over just a moment ago - if we had

some, perhaps, I could call it differential funding, some funding which would address itself more particularly to the rural problem than it does right now. The classic example of the inequity that I have given, I think, before in the House or in Committee, Mr. Chairman, is the one of the X students for Y teachers, the one of the one teacher for thirty-five or the one teacher for thirty or the one teacher for twenty-five or whatever the case might be.

If that one teacher is for a school in St. John's with 400 or 500 students, it is easier to get the teacher together with the twenty or thirty students. If that teacher unit is assigned to a board that has a number of one room schools with ten in this school and twelve in this school and ten in that school, and altogether you have thirty-two students in the three buildings but they are separated by twenty miles of gravel road or whatever and you cannot bus the youngsters or it is not feasible to bus them to the one building, then the one teacher, the one body is no good for those three particular schools.

I just give that. It is an oversimplified example, I realize, Mr. Chairman, but it is the example of how the teacher allocations - I could draw similar examples in terms of bus transportation and operating grants - it is an example of how the teacher allocations and of how the quality, I often say, of education is being militated against because of the present system which says - I think without being too unkind, Mr. Chairman, I think someone must say eventually. I half know the difference of this but it does make my point - someone must say essentially, well, St. John's is in Newfoundland and Francois is in Newfoundland, therefore St. John's and Francois are alike. They say if it works this side of the overpass, it must work the other side because some of the formula that we have in education are designed and are the product of the thinking of urban people, people who see how well it works in St. John's, how well it works in Corner Brook, how well it works in Grand Falls, and therefore it must work in Francois and McCallum and all the other smaller places around this province that I could mention.

Before we leave this subject, Mr. Chairman, perhaps the minister might wish - I would certainly like to hear his thoughts on the subject of provincial funding for a basic minimum standard.

MR. MURPHY: Mr. Chairman, could I just have one word seeing as my name was mentioned after listening to the drivel that we have heard from the two so called educated members when they talk about doing away with the \$10 million revenue that we hope to get through school tax. In my own district where everybody, but everybody, up to the present was expected to pay a school assessment, now some seventy-five per cent of them due to earnings and what not will not have to pay any school tax. Due to the fact that I have been looking, my department, for some quarter of a million or half a million dollars to help blind people to establish day care centers, and here the boys across say, oh, the heck with \$10 million. What is \$10 million less? Let her go.

Still every petition that is brought into this House for paving, they are jumping up, you should pave this road tomorrow, you should do this, should do that. You know, they are speaking through two sides of the mouth at the one time, Mr. Chairman. That is the point I see of the thing. Such drivel - you know, let us do away with taxes and then make everybody equal. I brought up the point today that I talked of Centreville down in Bonavista North. Should the chap down there or the man or the woman be expected to pay the same as they do here in the City of St. John's in the school tax? Now, the member himself says, in Hermitage area, you know, are all things equal. Who is telling us they are equal? These people are. They want to make everybody pay according to what you can afford. So, alright. Next year when we license our cars, the license fee for anybody earning over \$10,000 will be \$120. Less than that will be so much. If you want a moose license, how much are you earning.

This kind of drivel that they think appeals to people - it amazes me when we hear people such as we have across this House, honourable members, who are supposed to be the intelligentsia of



this House, Sir, highly educated university people, to talk this kind of drivel. Why, to heck with the \$10 million. Take it out of the current account. Nothing to it. Education is free. I sat in this House, Sir, over the years and education was as free as the air we breath, you know, no cost to anybody.

AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: Here we hear it all. Such absolute bosh, Sir. As I say with the school tax, we did not bring in the school tax. If they want a dissertation on it, I can give you one by the name sake of the gentlemen opposite where they had petitions of 4,000 people come in here from Corner Brook. They had a vigilante committee back in the 50's that protested school tax but who put it through? Certainly not the Moore's Administration, not in these days. Now, we are going on about, we do not need to collect taxes anymore, Sir, everything is free. If all our schools are going to be maintained, Sir, on the level that our school boards expect, unless we get that money, I am just afraid they are going to collapse, Sir, because there are so many demands now on money.

As I say, my own department, Social Services - this government I think has been very social looking after the social needs.

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

MR. MURPHY: If they talk about doing away with the \$10 million, Sir, I think they are entirely out of order, because, Mr. Chairman, I will have to tie one with the others, Sir, because someone in this honourable House during this debate says we do not need to collect this \$10 million. We will take it out of current revenues. I think they are slightly touched, Sir, quite frankly.

MR. SIMMONS: Mr. Chairman, first of all we did talk somewhat about equality. I am not nearly as caught up on it as the minister is. He is the best example that everybody is not born equal, Mr. Chairman, around here. Now, that we have heard - speaking about drivel - that disseration, Mr. Chairman, could I have something sensible from the minister on my question. I can repeat it.

I asked, Mr. Chairman, what the government's thinking was, or what the minister's thinking was on the subject of financing completely a basic minimum standard across the province.

MR. OTTENHEIMER: Mr. Chairman, as I have the notes here, probably three, if one wishes, subheads. One, equalization of opportunity and the other two the honourable member for Hermitage and from St. Barbe North referred to is the whole area of school taxation and the possibility of total centralized provincial financing with the possibility of voluntary contributions. Then, of course, there was what was referred to at some length previously by the honourable member for St. Barbe North, that is the crown corporation and the long term financing. I think that was referred to as well by the honourable member for Hermitage.

The first one first. That is what all are agreed upon, that is that we must work, continue to work for equalization of educational opportunity. I think all are agreed as well that some significant gains have been made in that direction. I think probably all would agree as well that it is very difficult, perhaps impossible - I do not know, I do not know if anybody knows - to attain it in a totality or to attain it in a totality forever, that there are always things changing. That does not by any means alter the fact that it is something that we must always strive for. It is in the striving for it and getting as close to it as possible that accomplishments are to be made, not necessarily in any specific attainment, because really who can say when such an ideal is in fact attained. If one were to say, we have attained it, that might be the most dangerous kind of statement of all. If one were to get up and say, we have attained throughout a province or throughout any area this equalization of educational opportunity, it would certainly be a statement that everything has been done that needs to be done and we can sit back and need do nothing more.

It is something we all have to work toward. The main problems as referred to by the honourable gentleman are in the rural areas and the smaller schools. Now, the bursary and scholarship programmes

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Tape 470 (night)

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are of some help there. A certain addition in teacher allocation,  
not a great deal, but a certain one for the smaller rural schools  
is of some help.

The policy within the department, which to the best of my knowledge is adhered to, and that is that requests for service for any of the consultants or any of the professional people in the department or any services that the department has or has access to, that such requests from the rural areas, from rural schools, from the smaller boards, should be given priority. And that these qualified, specialized, and to the best of my knowledge dedicated people it is certainly the policy of the department that the priority on the requirements of their time be given for the smaller schools and the smaller school boards. These are certain ways in which we endeavour to achieve that objective.

Now with respect to the question of total provincial financing, and this essentially is abolition of school taxes, abolition of assessments, abolition of school taxes, total financing from the central treasury. Number one, there are a number of matters here. I imagine honourable gentlemen are aware that the school boards of this province, the Federation of School Boards at their last annual meeting stated as their opinion that they did not wish to surrender the right for localized, either assessment or taxation, as the case might be, that they did not wish total state financing. Obviously, they wish more money from the safe, we all know that. But they did not wish to have total state financing. So that certainly is an important factor. There are those who feel very strongly on the principle that there should be localized involvement and not merely, I am not using the word merely in a pejorative sense, not only, not exclusively on a voluntary basis. There are those, and many in the province and many educators and certainly the majority of school boards as expressed through the vote of their federation several months ago when they met in Corner Brook, who feel, as a matter of principle, that there should be localized or regional financial responsibility along with a certain amount of localized or regionalized decision making. As I say, that is the expression, the viewpoint, of the Newfoundland Federation of School Boards, and is the viewpoint of many people in the province, and obviously there are many people with different views as well.

Reference has been made to the fact that in different school tax areas, you know, there are different assessments, different rates of assessments, different means of assessments. All I can do here is repeat what I have said before and that is that the development of school taxes or localized financial responsibility developed very differently in this province than it did in other parts of North America. I think it is important to see this question in its, if you wish, historical content. The development of local government was very late in Newfoundland. Apart from St. John's, Bellefleur, I am not sure when Corner Brook had its first city council, but the development of local government in Newfoundland was far behind just about anywhere else in North America. And educational responsibility grew up without any relationship to local government and, of course, the reasons for the organization of education that we have are to a very large extent historical and geographic.

Now in other areas, of course, where local government entities grew up associated with educational services, then you had, what could be called, a partnership of local government and of education. And frequently where you had coinciding, a local government area and a school administrative area, a school board area, you had your localized, if you wish, input, financial input, through the municipal taxation and a certain amount would go for educational purposes. This had a number of benefits. Among them, you did not get cleavage between local government and educational authorities, you got a co-operative partnership. Now this is the way it developed in most parts of North America but did not for reasons of history and geography develop in Newfoundland. For example, even in New Brunswick where there is a highly centralized educational system, and where I can say that they are now having very second thoughts as to the extent of this centralization, they are asking themselves whether the state has taken over too much in terms of decision making and have emasculated the school boards to where they are no more than rubber stamps or vehicles for the expression of Department of Education opinion, and this,

I know, is a fact that in New Brunswick many people are asking themselves that, whether the centralization has gone so far as to emasculate the school board in terms of any decision making, because they are not responsible for any local financing. And one asks oneself if they are really responsible for any decision making, and whether they are no more than vehicles through which the state would work. This, I personally think, and this is somewhat related to it, and you know, this refers to more than the question of school taxation, it is broader than that, I think in a pluralist society where there are a number of viewpoints and a number of systems of values that we would not benefit from that kind of centralization or conformity whereby school boards would develop into or slide into being emasculated entities merely there to serve as vehicles for the administrative convenience of the bureaucracy or the minister or the department or the government. Because, I, for one, do not believe that all power should be concentrated in the state. I believe that there has to be a sharing of power and responsibility and decision making and in order to have that, then you have to have boards with responsibility. Now this is not totally related, you know, totally means school taxes or not school taxes. What I am pointing out, however, is the number of objections that honourable gentlemen opposite have made to school taxes. You know they say that different amounts differ from area to area. And also the basis is different in some places, There is assessment on capital value and in some places there is assessments on rental value and in other places there is poll tax. All I can say is that it is true. I do not say that that is ideal nor do I say that that will last forever.

But essentially the school taxation authority uses, as its base, what the local government entity has. They do not go out and do a totally different form of assessment. Where there is assessment on rental value, they use that. Where there is assessment on capital value, they use that. Where there are no assessments, essentially they use poll taxes.

Now as there is more uniformity within the area of municipal taxation and as I would think it would develop perhaps, if you wish, larger, more regionalized local government entities, then I think that you will see vast improvements. But the educational authorities are really not the ones to go out and set up whole new systems of assessment. Their system of assessment relates to the systems used in the municipal areas. I think, to a large extent, the kind of taxation you have in the areas you have will be related to the development of local government as you get larger, more regional areas for local government.

Now a mention was made as well by the Hon. Member for St. Barbe North, the tendency to more centralized financial authorities in other parts of North America. That is obviously true, and I am sure he is aware as well that where in



other areas, say a number of years ago, quite a large proportion of the expenses were local responsibility, and where in Newfoundland practically all were essential, we are now getting some local involvement but there is still much more financing, from essentially the percentage point of view, than there is in those areas which are moving more and more to centralized financing because they came from a much larger input of localized financing.

Certainly we are aware of the problems with school taxation. We are very aware that it is not popular, it is something that it is very nice and pleasant to be against, but I do point out in summary on this particular issue that there are arguments in principle for local financial involvement and not only on a voluntary basis. I would point out that this, at the last expression of consensus, was the viewpoint of the Federation of School Boards. I realize that there are different rates of assessment and methods of assessment in different areas, and what I say there is in the area of educational taxation this is related to municipal methods of assessment or lack thereof in a specific area and that, if you wish, more uniformity in that area will come with development in the municipal field.

Just one other item on which I wish to comment briefly and that is with respect to the concept put forward that there should be - by the honourable the Member for St. Barbe North - a crown corporation to look into this or to solve the problems of long-term financing. I know the honourable gentleman must be aware that money that a crown corporation raises, I mean, what credit is the crown corporation using? What money market does it go to? Would one set up a crown corporation for educational financing to compete with the government's own borrowing programme? It is really just another name. To suggest that the solution is to get more money and we get it through setting up a Crown Corporation responsible for educational financing sounds fine, but it is essentially meaningless.

This year in the present budget the government is obliged to borrow over \$203 million. Over \$203 million and that is broken

down: General Market Borrowing, \$165 million; Canada Pension Plan, \$26 million; Government of Canada Loans, \$10 million; Other Loans \$2.1 million. Total net cash requirements \$203,191,200.

Now, the way this works is that the government in consultation with its financial advisers and people knowledgeable in the area must calculate, bearing in mind its expenditures and the programmes it wishes to continue and develop, must then in consultation with its financial advisers make a realistic assessment of the amount which can be borrowed, and that assessment comes to \$203 million. I think it would be fair to say, and I stand to be corrected by the Minister of Finance on this, but that not only the theory but presumably the practice is that there is a certain amount which a government can intelligently with the advice of its financial consultants estimate as being able to borrow, that the bond market will absorb. And that beyond that the government cannot borrow and that to attempt to borrow beyond that is to run the very, very serious risk of putting bonds on the market which will not be taken up with the consequence of a serious undermining of the Province's credit rating and the Province's credit and the Province's financial security and stability. So that amount is assessed by the Minister of Finance using the best information that he has himself and accessible to him, and that amount is put forward in this budget as \$203 million.

If one were to

say. They realize that you know the government does not have any more money. But we will set up a crown corporation that will go out and borrow \$30 million. This would not solve a darn thing. They would have to have our guarantee. It would be the same bond market. It would be the same government. It would be the same credit. I suppose it would be. I mean if \$203 million is more or less the amount then you take \$30 million off that. You cannot have it both ways. Raising \$30 million for a crown corporation does not mean that the government is capable of borrowing more than the Budget states it is, nor should one confuse this kind of a crown corporation which is for a service, a very important service obviously, but a service. It is not a revenue generating activity, and that does not mean it is not extremely important, but it is not a revenue generating activity, totally different than a corporation which would borrow, you know a huge amount which would be for a development such as the hydro power, which would be for a development, you know where one can envision and plan and pay back any revenue coming into the province because it takes commercial and industrial development. Here we are speaking of an entity which does not generate revenue.

MR. ROWE: It generates assets in the form of buildings and this sort of thing.

MR. OTTENHEIMER: Yes, but one can hardly see the bond market being interested in taking first or second mortgages on schools throughout the province. I mean they are there as assets. I suppose they are there as buildings but I doubt very much that they influence any crown corporation's authority to borrow.

AN HON. MEMBER: Inaudible.

MR. OTTENHEIMER: How come he does not think it may be a long term investment? Right, from the investors point of view.

So you know the fact is that there is so much one can borrow and that is put forward here as \$203 million and by merely

creating a crown corporation you do not change the financial facts. If it were that simple, or if it were not that simple, if it were that easy, then there would be no problem in financing, I suppose, any endeavour because what would we do but set up a crown corporation and say whether there is going to be long term financing, whether it is for schools or for whatever it is, we borrow the \$20 million or \$30 million. It has no relation whatsoever to the Budget. According to the Budget we should only borrow \$203 million, but we set up Crown Corporations here and there and borrow \$30 million for this one and \$40 million and \$50 million and \$20 million, but the fact is it does not work that way.

The Province, according to the estimates of the Minister of Finance, can borrow \$203 million, establishing crown corporations does not change that economic fact of life.

MR. CHAIRMAN: Shall 605-03-02 carry?

SOME HON. MEMBERS: Inaudible.'

MR. WOODWARD: It is too bad. Sorry about that "Frank". Take your buddy outside for a smoke.

Mr. Chairman, I know that we are dealing with transportation and I suspect that it is bus transportation.

MR. OTTENHEIMER: Actually bus transportation is the next one, just so that we will not get confused. If not we will be going back and forth. We are now on (02), if we pass that then in fact we will be on (03).

MR. WOODWARD: We are on (02)?

MR. OTTENHEIMER: We are on (02) now, and that has not passed.

MR. CHAIRMAN: Shall (02) carry?

MR. ROWE: Mr. Chairman -

MR. CHAIRMAN: Shall (02) carry?

MR. ROWE: No, Mr. Chairman, if my colleague is speaking to (03) we are not finished with (02). Actually, Mr. Chairman, if I can just rise briefly and my colleague can get back but it is very difficult to discuss this whole thing and separate operational grants, transportation

and the capital grant. I wonder if we could agree more or less to discuss the three of them together and when we are finished - Is that a reasonable request by -

MR. CROSBIE: If the honourable gentleman wants to address himself to three votes I would like to speak on this one (02).

MR. SIMMONS: You got the floor "Fred". You get the floor.

MR. ROWE: Just one second now, Mr. Chairman.

MR. CROSBIE: If we accept the honourable gentleman's then we will have to do that throughout the estimates.

MR. ROWE: Mr. Chairman, I have the floor I believe.

MR. CROSBIE: The first item gives you a chance to speak on the department generally and then -

MR. ROWE: Mr. Chairman, on a point of order -

MR. CHAIRMAN: Order, please! Order, please!

MR. CROSBIE: What is the matter?

MR. ROWE: On a point of order if I may.

MR. CROSBIE: Certainly you may. Yes you may.

MR. CROSBIE: Indeed you may. Yes you may.

MR. F.B. ROWE: On a point of order?

MR. CROSBIE: Yes.

MR. F.B. ROWE: The question is, Mr. Chairman, whether or not my colleague the Member for Labrador North stood up to speak on 605-03-02 or 03? Now, if he meant to speak on 03 obviously he will have to wait for that. I wish to speak on 02 but in speaking to 02 I simply made what I thought was a reasonable suggestion, that we deal with the three of them together in order to facilitate debate. Because in the broad references to school tax authorities and crown corporations, we are obviously talking about operational as well as capital grants and transportation and school buses. If we have to stick to 605-03-02, I wish to speak to it. So I will ask for a ruling on your part, Mr. Chairman.

MR. SIMMONS: Ask for leave, "Fred". Ask for leave.

AN HON. MEMBER: Why do you not ask for leave?

MR. F.B. ROWE: I am asking for leave to speak on 03 or if not, I will speak on 02.

AN HON. MEMBER: We were dealing with 02.

MR. CHAIRMAN (Dunphy): We were dealing with 02 and the Member for Labrador North went on to 03.

MR. WOODWARD: I did not go on to it.

MR. F.B. ROWE: That is the point that we are trying to establish.

MR. CHAIRMAN (Dunphy): I am afraid you did.

MR. WOODWARD: You did not call 03.

MR. DUNPHY: I called 02, it was not carried and you -

MR. WOODWARD: (Inaudible)

MR. CHAIRMAN (Dunphy): Order, please! Order, please!

If we are going to incorporate all these items here it will have to be by leave of the Committee.

MR. WOODWARD: The Lord will sanction it. The Lord will sanction it.

MR. CROSBIE: Mr. Chairman, on a point of order, on whatever the point is, we have already said we do not agree. The first vote in the

heading of the estimates we can discuss the department generally. After that when you get to the individual items you have to discuss the individual items. We are now discussing operational grants, and do I have the floor, Mr. Chairman?

MR. F.B. ROWE: In that case I have the floor, Mr. Chairman.

MR. CROSBIE: No, the honourable gentleman has spoken on this already, now it is my turn. Who has the floor, Mr. Chairman?

MR. F.B. ROWE: Mr. Chairman, I have to ask for a ruling. I know the Chairman knows who.

MR. CHAIRMAN (Dunphy): Order, please! Order, please!

The honourable gentleman from St. Barbe North rose to ask a question, the question was made and he took his seat. The honourable the Minister of Fisheries rose and I now recognize the honourable the Minister of Fisheries.

MR. CROSBIE: Mr. Chairman, there is one thing I admire about you and that is you rulings. They are invariably fair, just and equitable.

Now, the honourable gentleman should not leave the chamber because if he listens, the honourable the Minister of Education has just delivered a brilliant outline on some of the things that are involved in these simplistic solutions the honourable gentlemen opposite are suggesting in connection with operational grants. It appears, Mr. Chairman, that honourable gentlemen in Opposition, particularly the honourable gentlemen opposite us tonight, get simpler and simpler the longer they are out of power. The first year they were out of power we did not hear this simplistic talk about having a crown corporation and this magic crown corporation would borrow all kinds of money and the financing problems of school boards would be ended.

The second year they were out of power they were getting a bit more simple minded or more anxious to be back in power and they started talking about a crown corporation and they started talking about doing away with school tax authorities and doing away with school taxes. Then as the laughing gas got further up the blood



stream they started talking about increasing the income tax. The answer to everything is to increase the income tax. If you want to finance the school boards in Newfoundland you increase the income tax. They were positively jumping and screaming for the income tax to be lashed up, thrashed up, whipped up, knocked up, poked up. They want the income tax put up, do away with -

AN HON. MEMBER: Point of order.

MR. CROSBIE: What?

MR. CHAIRMAN (Dunphy): Order, please!

MR. F.B. ROWE: The Minister of Fisheries, Mr. Chairman, is deliberately misrepresenting anything that I said in this House today or over the past three or four years. At no time did I nor any of my colleagues suggest that we increase the income tax or the sales tax or any other kind of a tax for the purposes of abolishing school assessments or authorities. Let us make that abundantly clear. We did not and I ask him to retract that statement because he is misrepresenting what we said on this side.

AN HON. MEMBER: (Inaudible)

MR. CROSBIE: Mr. Chairman, I do not want to upset the honourable gentleman and I therefore withdraw anything he wants me to withdraw except what I have already said.

MR. F.B. ROWE: Withdraw yourself.

MR. CROSBIE: All right now, the honourable gentleman says he has not, the honourable member has not suggested that we up the income tax, whack up the sales tax, thrash up the gas tax, that he has not suggested any of that. But if he has not his allies and compatriots in the outside world, the world that lives outside this Chamber, Mr. Chairman, I mean there is another world outside this Chamber, although we start to forget it as time goes by in this House of Horrows, there is another world outside.

Now outside the honourable gentleman's cohorts are suggesting the solution and honourable gentlemen opposite have suggested the solution, do away with school tax authorities and replace the money they collect and that is some \$4 million or \$5 million a year, and with the new St. John's Tax Authority that will go up a bit, it is \$6 million or \$8 million a year, you do away with school tax authorities, you have no taxation at the local level for school purposes whatsoever and the Province has to replace that revenue.

Well if the Province, Mr. Chairman, has to replace \$8 million, let us call it, of local school taxes collected locally in school fees with revenue, it has to get the money from somewhere and since the Province is now taxing all it can tax, and despite what we are taxing now we have to borrow this year \$203 million and had to borrow last year \$168 million, whatever the figure was, it is quite obvious that unless we are going to borrow another \$8 million on current account, not even capital account now, current account, because we only have, not a surplus, we only have a positive figure on current account of \$2.5 million estimated. That is all. Our only contribution from current account to capital account is \$2.5 million. If we had to replace \$8 million in operating expenses that they are collecting locally in school fees from the Province it has to come from additional taxation and if it has got to come from additional taxation there are only two taxes here in Newfoundland worth a pinch of coon, a pinch of coon finance I mean, not you know, a pinch of

anything, that is the income tax.

If we put up the income tax one point we will collect \$1.25 million roughly. So it is no good putting up the income tax one percent to collect this \$8 million. Now this \$8 million will do nothing new. This will just replace money that has already been collected and spent on schools in the province locally. So if we put it up one percent, we would collect another \$1.25 million on the income tax, one point.

Well honourable gentlemen opposite would say that is not enough, we have got to get another seven so they say put up the income tax eight points. Now the provincial income tax in Newfoundland, Mr. Speaker, is 30.5 I believe, 30.5 points of the federal basic tax. It is the second highest in Canada. The highest is Manitoba, which is 2.5 points, my figures may be wrong here but Manitoba is 2.5 points more in provincial income tax than Newfoundland. I believe 32.5 as compared to our 30. Anyway it is 2.5 points. So we put it up 2.5 points, now we become, we have the proud title then of having the highest provincial income tax in Canada with Manitoba. That will gain for us, 2.5 points will gain us perhaps, what is that, \$1.25 million a point?

AN HON. MEMBER: \$1.5 million.

MR. GROSBE: Around \$3 million. Now we still have \$5 million to go. The \$3 million was not enough. We now have the same provincial income tax as they got in Manitoba. We are now proud to be there with Manitoba at the head of the line. We got the highest income tax in Canada but we have only replaced \$3 million. We still have another \$5 million to go. So what else will we put up? Well there is the gasoline tax, already the highest in Canada. We could put that up another cent a gallon and bring in \$1 million maybe or \$2 million, whatever that brings in. Now everybody agrees that this is not a tax that should go up because of the energy crisis and how the cost of fuel has gone up in the last year or two years, so that is not a good

place to look.

Well we can look at the sales tax. It is now eight per cent and the sales tax is regressive. It is not a tax anybody wants to increase if it can possibly be avoided. But we put the sales tax up one point, we now have the highest sales tax in Canada. We have gone to nine per cent in the sales tax and that will bring us in, if I remember correctly, \$8 million to \$10 million.

AN HON. MEMBER: \$10 million.

MR. CROSBIE: \$10 million, with the inflation it will bring us in around \$10 million. Well now finally we have got this money that we eliminated. We eliminated local school taxes and local school fees. We have now replaced it by putting up the sales tax one per cent, a regressive tax and honourable gentlemen opposite will go berserk attacking it and opposing it and saying it is regressive and about the Tory times are the hard times, and the cruel merchants are at it again. They are beating the poor people down. They are taxing them where it hurts. That is the shouts and roars we will hear from honourable gentlemen opposite if we did that, increase the sales tax just to replace that \$8 million that they collect locally. So that does not appear to be a very logical way to do things.

Are we to be the only province in Canada, Mr. Chairman, that has no local contribution to its schools at all, none, nil, not a zilch, not a penny, not an iota, not a jot, not a tittle of assistance from local areas to their schools. Do the people of this Province want to make no contribution locally to the cost of their schools at all? Is that the position? That is what honourable gentlemen opposite want. This is what they say.

AN HON. MEMBER: Inaudible.

MR. CROSBIE: They say this is an unfair system. It is the system in Nova Scotia. It is the system in New Brunswick.

MR. F. ROWE: No, it is not.

MR. CROSBIE: It is the system - well they collect it provincially.

MR. F. ROWE: No, it is not.

MR. CROSBIE: But it is based on a local property tax in New Brunswick. It is the system in every province. It is the system in Ontario, the rich Province of Ontario. Do they have local school taxation, Mr. Chairman?

AN HON. MEMBER: I believe they do.

MR. CROSBIE: The richest province in Canada do they - you bet they do. They have a huge local school tax on all property in Ontario collected at the local level. Has anybody suggested that in Ontario the Ontario Government abolish this terrible, terrible, terrible, terrible, terrible local tax on education, and last year upped the income taxes themselves. There is nobody in Ontario suggesting that. Are they suggesting it in British Columbia, the second wealthiest? No. Are they suggesting it in Alberta? No. Only here in Newfoundland, the tenth in wealth, the tenth in income, the tenth in government revenue, the tenth in everything, we sneaked ahead of P.E.I. for about a year, and now they are ahead of us again this year, only in Newfoundland of all the provinces is it being suggested that we should have no local contribution to school operating costs or school capital costs on the local level. Now that is just not sensible.

Admittedly the instrument for collecting school tax here in Newfoundland is an imperfect one, as the Minister of Education said. And if we had or if we could have a provincial assessment, and it could be fair to do it provincially here in Newfoundland, then perhaps in three or four years it will be the machinery that would be a better way of doing it. But we do not have that yet here in Newfoundland. Can it be seriously argued - I am a member for St. John's district, Mr. Chairman, but for the last three years I have said, and I say now that

there is no alternative to the St. John's area having a local school tax. It is the only rational way to do it. The old school fee and so on has to go. And there should be a contribution on the local level in St. John's towards schools. I know that this is not popular in St. John's but still it is a fact of life. If we had some way - you know, we are not dumb in this government altogether, Mr. Chairman, we are not stupid, we are not ignorant, we are not feeble minded. I admit sometimes we give that impression.

AN HON. MEMBER: Hear! Hear!

MR. CROSBIE: But we are not.

AN HON. MEMBER: Hear! Hear!

MR. CROSBIE: I am making a confession now. Occasionally there is a slight impression of feeble mindedness -

AN HON. MEMBER: Inaudible.

MR. CROSBIE: but it is the wrong impression.

And we have the civil service who we can ask, we have the experts, and we have had consultants, and we have looked at all the problems of educational financing in Newfoundland, and cannot see any sensible rational way where we could honestly ask the people of Newfoundland to abolish school fees and school taxes on the local level and have the Province replace it. That is a simple solution that people out of power can advance because they think it sounds good on the "Open Line Programmes", you know, when certain professional Liberals call in and applaud the great statements being made by gentlemen in Opposition, or by city councillors or whomever. But it is not a serious answer to the problem. Nor is a crown corporation. A crown corporation does nothing. The Hon. Minister of Education and I were on the Committee with other cabinet ministers, and our top civil servants, and we looked at the whole problem of educational finance, what could we do to help the denominations to finance school construction. And we looked at the crown corporation and had to throw it aside because it was no solution. If it borrowed money as the Minister of Education said we would have to guarantee it. So rather than do that we agreed

to increase the grants for school construction, and they were increased last year to \$10 million from \$8 million the year before. This year there is \$10 million in grants, and there is \$2,700,000 in equalization to the Integrated and the Pentecostals. That is almost \$13 million in school construction alone -

AN HON. MEMBER: The same as last year.

MR. CROSBIE: whereas when the honourable gentleman left office it was \$7 million, was it?

AN HON. MEMBER: Eight million.

MR. CROSBIE: Eight million. They have reluctantly, the bashful virgins in 1971-1972 had gotten up to \$8 million. Well we have put it up to \$10 million, and this year it is ten plus two seven, plus another \$8 million for DREE schools - we will leave them aside for a moment. It is ten plus two seven, that is, \$14.7 million this government are asking the House to vote for school construction apart from DREE altogether. And the honourable gentlemen opposite when they were in a few years ago were giving \$8 million. And the minister has outlined in the budget speech how it is going to go to \$11 million next year, and then to \$12 million, and the promise of \$14 million and increased amounts. That was the only way that we could see to help the schools in their construction programmes. The crown corporation did not help them one whit. And we said if they wanted to look into lease financing or whether someone will finance them, and under these arrangements we would help them do that, although we were never contacted or asked to do it.

So we have to accept, Mr. Chairman, not accept, we have to suggest that the simple solution being suggested by the Member for Hermitage, and by the Member for



St. Barbe North is just not practical. If they ever get into power - and they may some day get into power because if you have two parties eventually one goes out and the other comes in although it may never come in. The tide went out there in 1968 and has not come back in for the honourable gentlemen here - they will find that this is the case and we would have to accept the fact that this is not the richest province in Canada and that we are attempting to do huge amounts. There is \$215 million here in the education estimates, \$17 million in the vote we are talking about now, almost \$18 million in operational grants for schools a twenty per cent increase over last year. Last year we gave them another increase half way through the year to fix up the problem they said they were suffering from as a result of the previous year.

The school boards, since this government came into office, Mr. Chairman, have gotten a thirty to forty per cent increase in operating grants, at least since 1972 a thirty to forty per cent increase in their operating grant. We are not starving them for money. Yet you hear them as soon as the budget comes down, you hear the representatives moaning and groaning in public that they are not getting enough and they are being forgotten. If we ask the House to vote \$35 million, they would be out the next day and say, this is not enough to operate their schools on. If we asked the House for \$70 million, they would say, this is not enough to operate our schools on. If we asked the House for \$100 million, they would say, this is not enough to operate our schools. If we asked the House to vote \$100 million to construct schools, they would say, this is not enough and the children of Newfoundland are not being given the facilities.

There is no way you are going to impress all of the special interest groups in education no matter how much money you ask the House to vote them. That is just a fact of life. That is just something that we have to accept.

The honourable minister in his estimates for this year - this is the best budget, Mr. Chairman, ever brought down for education in this province. Why? Because the Minister of Education is not only a spendthrift but persistent in his endeavours to get more money for education so he has everybody else nearly driven foolish. That is one of the reasons. The honourable Minister of Education has gotten more money for the cause of education this year than ever in our history.

I notice, Mr. Chairman, that student aid, that vote was passed over very rapidly. Not a sound, not a peep, not a murmur, not a caw, not a demur, and not an admonition, nothing said about student aid. The honourable gentlemen did not even get up and say we are pleased with your student aid policy. So, I will say it for them. Honourable gentlemen opposite are delighted and they are pleased and thrilled with the new student -

MR. THOMS: Inaudible.

MR. CROSBIE: Honourable potatoes from Bonavista North now just relax. I take silence to mean acquiescence. When we went through that student aid vote without a murmur or a peep, I said to myself, what a vote of confidence in the Minister of Education they are giving him silently and under their breath, they are giving him for his student aid policy. Now, what more can I say about it. We only have seventy-five hours. I could talk seventy-five hours, Mr. Chairman, on this vote alone.

MR. CHAIRMAN: Order, please!

The honourable member will have to speak about this vote because he has gone back to student aid and he knows full well that is not proper.

Shall 605-03-02 carried?

MR. F. ROWE: Mr. Chairman, if the minister was in the House he would have heard our comments on student aid.

Now, Sir, what the minister has done as usual in his grand debating style, which is very entertaining and may even be convincing, he has dragged a great red herring, a whale, across the floor of this committee room tonight. Sir, he did exactly as I predicted in my speech earlier that some honourable members would do on that side of the

House, that is, he has accused now the Opposition of advocating the increasing of the sales tax, the personal income tax, the oil, fuel and gas tax, and the booze tax, the liquor tax. We expected as much, Sir, from the honourable the Minister of Fisheries.

Now, Sir, I do not care what I am accused of or what this honourable side of the House is accused of, but I demonstrated quite clearly this afternoon that the anticipated revenue last year, or the estimated revenue for these sources was \$199 million and it turned out to be the revised revenue, \$211 million, \$12 million extra.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: I can use that simple technique to say that that money could have been used without having to increase taxes. But let us go one step further, Mr. Chairman, If the minister wants to take that less than courageous way out to try to accuse the poor, old Opposition of advocating tax increases, I would advocate any tax increase that is more efficient and is more equitable and fair than this school tax system that we got and this assessment system that we got. The school tax method of taxation, whether it be by property tax, a poll tax, varying from \$20 to \$75 dollars, for a mil property tax, varying from 2.5 mils to 5.5 mils, these are regressive, unfair, inequitable. I just cannot find enough adjectives to define how atrocious that method of taxing the people is.

I will stand here and say even if we had to increase personal income tax, liquor tax, sales tax or any other form of more progressive tax, I would recommend that that would be more justifiable than a continuation of the school tax authorities that we have in this Province at the present time and the assessments. Sir, the minister, when he got up to speak, gave one miserable reason why the Department of Education has decided to retain school assessments and school tax authorities, one reason and what was that reason? Because the federation of school boards want it.

Now, I would like to know whether that was a unanimous vote, number one.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: One hundred per cent - whether the federation of school tax authorities want it. We have advanced ten to fifteen reasons why school taxes are not a good method or fair method or we have listed off ten to fifteen disadvantages of school taxes and school assessments. It is no good for the Minister of Fisheries

or the Minister of Education to get up and say that we are only saying it because it is popular. Well, to come to think of it, Mr. Chairman, you know, this is a democracy. We are elected politicians. Presumably, within reason, we are supposed to act in the best interest and the wishes of the people and if something is popular, that must mean the majority of the people are in agreement with the abolition of the school taxes and school assessments. If popularity means majority agreement and we are supposing to be representing the majority of the people in this Province, if that is popular, if that is the majority wish, what is wrong with abolishing school taxes and school assessments?

Now, I repeat, Mr. Chairman, the minister has advanced one single reason only for retaining the school taxes and the school assessments in this Province. The Minister of Fisheries was quite inaccurate when he said that we would be the only Province in Canada that would have no local contributions or contributions at the local level in terms of revenue going into education. New Brunswick, one hundred per cent, according to the evidence that I have. P.E.I., on the reverse, have a school tax authority instead of having the local involvement. They have a provincial school tax authority,

well, which is almost the equivalent of, you know, it is an agency of government, let us face the facts, a school tax authority. If it is getting revenue for primary, elementary and secondary education, it is an agency or an arm, one way or the other, of government.

Now, Sir, I repeat, and I must repeat it because it is not getting through to honourable members opposite, that school tax authorities and assessments by school boards result in duplication of administrative costs. There are very high default rates, and we have an indirect additional cost, because hundreds of people are being dragged into Magistrates' Courts and consuming the money of the Justice Department trying to settle on a \$20.00 school assessment bill. I would suggest, Sir, that there are hundreds of dollars being spent to recover a \$20.00 school assessment. I have witnessed it in my own district. People who have refused to pay school assessments for the simple reason that they do not believe that their educational standards are close to the average in the province. They, as a result, refuse to pay their school assessments. They were dragged into court down to Flower's Cove. They were heard by the magistrate, the R. C. M. P. constables were dragged in, the superintendent of the school board was dragged in, to get twenty miserable dollars. You say that that is not costing the province money.

Now if the Hon . Minister of Fisheries wants to use the old trick of trying to accuse us of increasing taxes then use that. I expected more from the Minister of Fisheries. But if he wants to use that trick, I would say that a fair tax and an efficient tax and an efficient method of distribution of the proceeds of that tax is far better than what is happening under school tax authorities and under assessments. Sir, it is my understanding that every school tax authority, every member on a school tax authority, are not doing it because they want to do it. They are doing it, they are involved with school tax authorities because they are forced to do it to try to raise additional revenue.

Now I will agree with the Hon. Minister of Fisheries, we will never be able to provide enough for education within the foreseeable future. A Liberal Government or a P. C. Government will never be able to provide enough money for education within the foreseeable future. But, Sir, there are efficient ways of doing things and there are inefficient ways of doing things, and school tax authorities and assessments, through school boards, are inefficient. It is as simple as that.

Sir, I might add that - what percentage, if I could ask the minister, if I could get the minister's attention, what percentage of the school boards are elected now? It just slipped my mind.

MR. OTTENHEIMER: At least one third.

MR. F. ROWE: At least one third.

MR. OTTENHEIMER: The law requires at least one third.

MR. F. ROWE: Yes, at least one third. You know, we have to look at this other prospect too. When we start talking about municipalities collecting taxes, municipalities generally speaking in most cases are elected so we get taxation with representation. In the case of school boards, you do not have taxation with complete representation, and let us not forget that aspect of it. Even if we had one hundred per cent of the schools board elected I would still have to argue against the present method of getting this \$8 million or \$10 million. There is a problem in assessing, Sir, and this is why sometimes they have to go to poll taxes, of course.

Now, Sir, with respect to the state control, you know, this is not logical at all. The Hon. Minister of Education got up and said that if the Province assumed one hundred per cent of the responsibility for financing primary, elementary and secondary education, that we would have emasculation of the school boards, and we would have state control of education. That defies logic, Mr. Chairman. The fact of the matter is



it is not the government anyway that distributes the funds for educational purposes when it comes to capital grants. The government collect the money through revenue of some sort and the government, it is my understanding, passes this money virtually over to the Denominational Educational Authorities or Committees. So it is the Denominational Educational Committees who are the authority as far as who determines or what determines how much money is going to be spent by a certain school board. It is negotiations between the Vinland School Board or the Straits of Belle Isle School Board or the Avalon Consolidated School Board, it is negotiations between the school boards in this Province and the Denominational Educational Authorities that determine and decide whether the money is going to be spent in this Province for construction of schools and for operating grants. So let us not hear this illogical suggestion that making the government one hundred per cent responsible for collecting revenue for purposes of primary, elementary, secondary education will interfere with school boards, or we will have state control, or school boards will be emasculated. I never heard such foolishness, Mr. Chairman, in my life.

Now in spite the minister at one stage of the game tried to say that there was a large percentage of local involvement in North America, the States and the Mainland, and that we had a pretty high percentage of centralized responsibility for collection of revenue. And that we were so far at one end of the pendulum that we really, the rest, the States and the Mainland have not caught up with us.

Well, Sir, I do not care what statistics the Minister of Fisheries or the Minister of Education use to talk about how many other provinces had up to fifty per cent or thirty per cent or twenty-five per cent or forty per cent or ninety per cent local involvement or what states. They can list them off all they want to. Our argument, our contention is that school taxes are basically unfair and not based on an individual's ability to pay. It is retrogressive - not retrogressive, regressive. It is inequitable, it is grossly

unfair, it is cumbersome, it is inefficient.

My colleague the Member for Hermitage suggested that in the area where he worked, and he knows more about this than I do, he was - (What were you?)

MR. SIMMONS: Superintendent.

MR. F.B. ROWE: Superintendent of Education, Mr. Chairman, dealing with this very thing, said that he knew of an instance where twenty-five per cent of the money collected was used up and gobbled up in administration. \$100 collected, \$25 used up in administration, \$75 used for education. Now, is that an efficient means to collect money for educational purposes, Mr. Chairman? I submit it is not, and nobody can justify the continuation, the retention of school tax authorities and assessments and to suggest that we are saying it because it is popular is cheap politics, nothing but cheap politics. If something is popular it is my understanding that there must be a few people who are in agreement with it. We are here to represent the people and if it is popular we should act on it, and to try to say that we are all for jacking taxes is utterly cheap on the part of the Minister of Fisheries.

Sir, the government can place its priorities where it wishes, and I am recommending and my colleagues are recommending that they put their priorities in the development of the youth of this Province and they spend and collect and distribute money more efficiently and that can only come with the abolition of these monsters, the school tax authority and the assessments. And the Minister of Social Services

stooped so low as to say that my namesake introduced it.

AN HON. MEMBER: He did.

MR. F. ROWE: Well, well, well! If the Minister of Social Services has his ears open as often as his mouth is in this chamber he would have heard me say this afternoon, Mr. Chairman, that -

MR. SIMMONS: But he would not have understood though.

MR. F. ROWE: - we realize that the Liberals introduced school tax authorities but we are men enough to stand up and say that the Liberal Party can change its policy to meet changing times.

HON. MEMBERS: Inaudible.

MR. F. ROWE: It is as simple as that. And that we intend to do.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: And we are near enough to an election, Mr. Chairman,

MR. SIMMONS: Not near enough, going -

MR. F. ROWE: We are near enough to an election not to be able to afford irresponsible statements. We can afford irresponsible statements. And we are not just making these statements because we think they are popular -

AN HON. MEMBER: Inaudible.

MR. F. ROWE: we are making them because we think that it is a fair and just system of getting revenue for educational purposes in this Province.

Now, Mr. Chairman, the Minister of Education - Mr. Chairman, I do not want to attack the Chair but I am getting some awful looks here.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: Mr. Chairman, the Minister of Education has not yet answered this big problem, and that is, that the school boards back in 1973 did say that they required \$132 million,

AN HON. MEMBER: Capital.

MR. F. ROWE: Yes, capital. Okay, all right, we are on operating, we will get over to that one after.

Well, Mr. Chairman, that is all I have to say if we are going to stick strictly to operating. And I guess it would be an appropriate time to call it 11:00 o'clock, if this agrees with the House.

MR. CHAIRMAN: Shall 605-03-02 carry?

On motion 605-03-02 carried.

MR. CROSBIE: Mr. Chairman, I move that the Committee rise report progress and ask leave to sit again.

On motion that the Committee rise, report progress and ask leave to sit again, Mr. Speaker returned to the Chair.

MR. CHAIRMAN (Stagg): Mr. Speaker, the Committee of Supply have considered the matters to them referred, and have directed me to report having made progress and ask leave to sit again.

On motion report received and adopted, Committee ordered to sit again on tomorrow.

On motion the House at its rising adjourned until tomorrow Wednesday, March 19, 1975, at 3:00 p.m.