

Preliminary
Unedited
Transcript

House of Assembly
For the Period:
10:00 a.m. - 1:00 p.m.
Friday, June 3, 1977

The House met at 10:00 a.m.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

MR. NEARY: Mr. Speaker.

MR. SPEAKER: The hon. the member for LaPoile.

MR. NEARY: Mr. Speaker, I move that this House go on record as commending the magnificent job performed last night by the officers and crew of the William Carson, the excellent sense of discipline shown by the Carson's passengers, and especially the magnificent search and rescue operations carried out by the Air, Sea Rescue facility. Had it not been for the combination of such wonderful work and splendid attitudes by all three, Sir, there might indeed have been a real black mark, a tragic black mark spelled out in the history of our Province last evening while you, Mr. Speaker, and members of the House sat here in St. John's with no idea at all of the near tragedy taking place off our shores.

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, I will gladly second those remarks. It was a pretty dramatic experience, I mean, when it was on the Late News last night. It is almost incredible that such a thing can happen in this day and age. You almost think back to the Titanic when she went down by hitting an iceberg. But with all the electronic facilities on these boats today, it is almost one of amazement that such an event could happen. But it did and I certainly concur with the hon. member's remarks when he says that at any time of a traumatic experience like that it must be always very difficult to curb panic and to keep your cool.

Abandonment of the ship must have been done under trying circumstances but obviously it was done very, very well because the success was no loss of life at all. I understand the Air, Sea Rescue

PREMIER MOORES: people were working all through the night, and I would think a helicopter operation through the night would be also difficult and dangerous. I think, as was said, this House should go on record of congratulating those who were responsible for handling the thing so well once the accident occurred, and to also say that we are very thankful that the crew and the passengers were all saved.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Leader of the Opposition.

MR. ROBERTS: Well, Mr. Speaker, we would certainly like to be associated with the remarks made by the gentleman from LaPoile (Mr. Neary) and the remarks made by the Premier. I think it is a good use of the word 'dramatic' to say that the circumstances surrounding the loss of the Carson were dramatic. I think that everybody in this Province must be grateful and relieved that such an accident in the night off the coast of Labrador, a large ship like this sinking with no loss of life and, I understand, not even any serious injuries.

I think the captain and the crew ought to be commended. I think that the Air, Sea Rescue people, who apparently sprang into action very quickly, and the new system that the Ministry of Transport have brought in these last few months seem to have functioned very effectively in this test as it has in some others. I think as well commendation ought to be paid to the people ashore in Mary's Harbour on the coast of Labrador and at St. Anthony who were involved in that aspect of the rescue operations, an aspect which fortunately became fairly minor because there were no serious injuries.

MR. ROBERTS: I think the whole Province will await with interest the results of the inquiry which must be held. It is a federal responsibility and I am not sure whether it is automatic or whether some action must be taken. But we will all want to know exactly what happened, how a fine large ship which I saw here in the harbour a day or so ago down at the old American dock in her brand new coat of paint, her new blue colours with her new logo on her all spanking ready to go into service for the season, how that fine ship on what I understand was a calm night, a moonlit night with no heavy seas, no adverse weather conditions, exactly what happened. If we ever need any reminders in this Province that the sea can be a cruel master as well as a good servant, we were given one last night.

We are all grateful that there was no loss of life and that the incident has passed with so little permanent harm. But as I say, I for one and I think many others, will have very real questions which will be answered I am sure by the inquiry. Also, I think it is right and proper that concern be expressed now about what alternate arrangements CNR are going to be able to make. The Carson had become an integral part of the link between the Island and Labrador. I know that her first two or three trips were completely booked out of Goose Bay coming South with the exodus of people who must leave. The whole distribution of food and other freight on the coast of Labrador had been built around the Carson. Obviously there is no replacement for her. The question is, can they find a substitute and if so how quickly?

But, Sir, we ought to be grateful, and we are grateful, that the incident was carried off. It was a lot of good fortune. Such a beautifully calm night, such

Mr. Roberts.

good weather conditions. But on the other hand I think all of those, the captain, the crew, the Search and Rescue people ought to be commended as well. It is a dramatic incident, but it has had a happening ending. Sir, and for that we ought to be grateful.

MR. SPEAKER: The hon. member for Twillingate.

MR. SMALLWOOD: Mr. Speaker, in concurring completely in the remarks of the three hon. gentlemen who have spoken, may I add a thought for the Premier's consideration. The William Carson was given her name - or at least her name was suggested by me, Dr. William Carson being one of my Newfoundland heroes, and in my view the greatest public man that ever lived on this Island, the greatest public man that Newfoundland has ever known, the founder and the father of democracy in Newfoundland. And I was very proud when asked to suggest a name for the new ship to suggest the name William Carson. Now there is no William Carson any more, and I ask the Premier to give sincere thought to the idea of his suggesting as Premier of the Province that the name William Carson be placed on some worthy ship that may come in coming months or years. I do not know how many years the Premier will be Premier, but certainly something is going to be built while he is Premier. Would he try to get the name William Carson put on that new ship?

MR. SPEAKER: The hon. member for Lewisporte.

MR. WHITE: Mr. Speaker, I would like to say just a word on this, because it does affect my district and many of the crew members on the William Carson were from my district, including some of the senior officers on that particular vessel. Last year, Mr. Speaker, on the sixth of June the William Carson sailed out of St. John's on the first run up to the Labrador Coast, and I had the opportunity, the privilege to be on board that maiden voyage up the coast of Labrador and other members here as well, the member for Naskaupi (Mr. Goudie) was on that particular trip, and I do not know how many more were on that particular voyage. Last year that vessel went out of Lewisporte once a week and went up to Labrador, touched in at St. Anthony and Cartwright and

Mr. White.

then to Goose Bay and then returned to Lewisporte. And, Mr. Speaker, the most successful undertaking that CN Marine has ever done in Newfoundland, the Marine Branch of Canadian National, was the William Carson trip last year. Mr. Rupert Tingley, the general manager of the CN Marine now - it used to be the East Coast Marine and Ferry Service - Mr. Tingley told me that it was the most successful thing that they had undertaken. Last Summer every single voyage of the William Carson was full, cars, people and freight going up to the Labrador coast. It was also an economic boost to my district, because the wholesale firms that are located in Lewisporte had an opportunity to ship their goods up the Labrador coast more efficiently than had been done previously. So I am sure that the members here, from the Labrador area and from my area in particular, are hoping that a replacement for the William Carson will be found quickly so that this particular undertaking by CN Marine can be started, and can be gotten going as quickly as possible. It was my understanding that already CN Marine are looking into the possibility of another ship which would have gone in conjunction with the William Carson. Then you would have had two operating on that particular voyage.

And, Mr. Speaker, I predict that in future years this will be one of the most successful things that takes place in Newfoundland during the Summer and Fall. The William Carson was operating there very successfully last year. As soon as the Freedom Road that has been talked about is opened up to Churchill Falls, and it means that the vehicles from Churchill Falls can come out to Goose Bay and also from Labrador City and Wabush, this will be the link in my opinion, Mr. Speaker, between the Island and the Labrador portion of the Province. And I hope the government will get moving right away to talk to CN Marine and see exactly what plans they have for a new ship to operate between Lewisporte and between the Labrador coast. I just wanted to say that word, Mr. Speaker.

NOTICES OF MOTION:

MR. SPEAKER: The hon. Minister of Municipal Affairs.

MR. DINN: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, "An Act To Amend The Housing Act."

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: Mr. Speaker, I give notice that I will on tomorrow ask leave of the hon. House to introduce a bill, "An Act To Amend The Gasoline Tax Act." And give notice that I will on tomorrow ask leave to move the House into a Committee of the Whole to consider a resolution in relation to the raising of loans on the credit of the Province, which is the annual

MR. DOODY: Loan Bill, and to move the House into a Committee of the Whole to consider certain resolutions relating to the guarantee of the repayment of bonds or debentures issued by, on the guarantee of repayment of loans made to certain local authorities.

MR. SPEAKER: Answers To Questions For Which Notice Has Been Given.

MR. ROBERTS: What about the investigation of Public Works?

MR. SPEAKER: Oral Questions.

MR. ROBERTS: Mr. Speaker.

MR. SPEAKER: The hon. Leader of the Opposition.

MR. DOODY: I have answers to some questions.

MR. ROBERTS: Oh, okay. Well, can we revert? And also the Minister of Justice may have some information about the RCM Police investigation into the scandals in the Public Works Department and these electrical contracts, But let us revert.

MR. SPEAKER: Is there leave to revert to Answers to Questions?

SOME HON. MEMBERS: Agreed.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

MR. DOODY: Answers to Question No. 100 from the hon. member for LaPoile (Mr. Neary), Mr. Speaker, Question No. 147, Question No. 153.

MR. NEARY: By whom? What Order Paper?

MR. DOODY: I do not know what the Order Papers are, Question No. 100 is the member for LaPoile, Question No. 147 is the member for LaPoile, Question No. 153 is the member for LaPoile, Question No. 157 is the member for LaPoile, Question No. 162 is the member for LaPoile, Question No. 180 is the member for LaPoile, Question No. 200 is the member for LaPoile, Question No. 213 is the member for LaPoile,

MR. DOODY: Question No. 234 is the member for LaPoile - I think that one I answered verbally, that is on the Board of Liquor Control or the Liquor Commission is security arrangements. Anyway that is it.

MR. ROBERTS: The minister is doing a good job. If only his colleague next to him would answer some questions.

MR. ROBERTS: Are we on Oral Questions?

MR. SPEAKER: We will be in a moment. We had reverted to No. 5 and now I call Oral Questions again.

ORAL QUESTIONS

MR. SPEAKER: The hon. Leader of the Opposition.

MR. ROBERTS: Is the Minister of Justice going to answer the question about the police investigations?

AN HON. MEMBER: The minister said yesterday he would check on it.

MR. ROBERTS: Well, the minister yesterday said he would check into it. I mean, here we have the Auditor General, the paper tells us, requesting an investigation into the possibly criminal activities in the Department of Public Works and we would like a little information about it, that is all. The Premier says it is not true. You know, I asked the question on it. The question was asked yesterday, I am not asking a question now. I just wonder if the minister is going to answer the question he took as notice yesterday.

MR. SIMMONS: The Premier says it is not true.

MR. ROBERTS: The Premier says it is not true but it is true. The Auditor-General has requested an investigation and the Director of Public Prosecutions, or one of the officials down there, has written the police to ask them. I want to know what it is about. The minister took it as notice yesterday. Is he going to give us any answer? I asked the question yesterday, Mr. Speaker, and the minister took it as notice. Is he going to answer it today or is he trying to cover it up?

MR. HICKMAN: I am not trying to cover up anything.

MR. ROBERTS: Well then answer the question.

MR. HICKMAN: I was not in the House when the question was asked.

MR. ROBERTS: Mr. Speaker, the minister was in the House. my friend from Fortune - Hermitage -

AN HON. MEMBER: That is right.

MR. ROBERTS: - asked the question yesterday. The minister took it as notice. Is he going to answer it?

MR. HICKMAN: Yes, I will.

MR. ROBERTS: Yes? When?

MR. HICKMAN: As soon as you sit down.

MR. ROBERTS: All right, and then we will go back to another question. Answer it now.

MR. NEARY: Mr. Speaker.

MR. ROBERTS: No, Hold on now.

MR. SPEAKER: Order, please!

MR. NEARY: We are not going to hold open the Question Period.

MR. ROBERTS: No, I agree.

MR. SPEAKER: Order, please!

MR. ROBERTS: Let him answer the question.

MR. SPEAKER: I must point out to hon. gentlemen that I cannot permit debate during Question Periods. Obviously an hon. gentleman is recognized for a question and then an hon. minister answers. And if he does not answer it cannot be the subject of debate.

MR. ROBERTS: No answer, 'Alex'?

AN HON. MEMBER: A supplementary, Mr. Speaker.

MR. SPEAKER: Order, please! I do not think I can recognize any hon. gentlemen for speaking on a supplementary because the definition of a supplementary is arising out of the answer, and the hon.

MR. SPEAKER: minister has not answered.

The hon. member for LaPoile (Mr. Neary) followed by the hon. gentleman from Lewisporte (Mr. F. White).

MR. NEARY: Mr. Speaker, I wonder if the hon. Minister of Justice could confirm or deny reports published in the newspaper that the Auditor General or somebody has requested an investigation into certain activities in the Department of Public Works? Would the minister care to give the House any information on this matter?

MR. SPEAKER: The hon. minister.

MR. HICKMAN: Mr. Speaker, I thank the hon. gentleman from LaPoile for the approach he has taken in asking a question that can sometimes have very serious ramifications with respect to individuals. The facts are, Mr. Speaker, that the Auditor General on Wednesday of this week asked the Director of Public Prosecutions -

MR. ROBERTS: Which Wednesday?

MR. HICKMAN: On Wednesday of this week, Wednesday, June 1, 1977, I asked the Director of Public Prosecutions if he would request or direct the Royal Canadian Mounted Police to investigate dealings by a company and/or individual with a department of government. And the Director of Public Prosecutions without any hesitancy directed such an investigation be instituted. It is not correct, indeed it would be quite incorrect to say that there is an investigation into the Department of Public Works and Services. The practice that has been followed and must be followed with respect to any investigation, other than the fact that it is made public that an investigation is being carried out, there should not and cannot, unless we are prepared to prejudice the rights of individuals who may be totally innocent, further comment by me on it. It is always regrettable in this type of case, and I guess it is inevitable, that the fact that there is an investigation going on into a corporation or an individual becomes public knowledge, yet if you take it to its logical conclusion we have from time to time, and I suppose almost daily, complaints coming in which result in investigations. If they ever became public those people who were found to be innocent would still suffer immeasurably and that is why the rules are so strict and must be. But I simply confirm -

PREMIER MOORES: Especially if we left it up to our opposition.

MR. HICKMAN: I must specifically repeat and confirm that immediately the request was made, as in every case the Director of Public Prosecutions reacted and reacted quickly and the investigation into this company and/or individual is ongoing.

MR. SPEAKER: A supplementary. Hon. member for Lewisporte.

MR. WHITE: Mr. Speaker, my supplementary is to the Minister of Justice and while we fully appreciate that he does not want to give us very many details we would like to know a few more. And I wonder if the minister could tell us exactly what prompted the investigation, what aspect of the alleged company dealing with the department, whichever department it is, is being investigated? If it comes directly from the Auditor General report can the minister

MR. WHITE: tell us whether or not it involves the issuing of purchase orders, a large number of purchase orders for one job, or if it ties directly into that? Can you be a little specific? Why is the investigation going on and what are the suspicions?

MR. HICKMAN: Mr. Speaker, I cannot and will not give any further details. There is an fundamental rule that every person is presumed innocent .

MR. WHITE: Of course.

MR. HICKMAN: - when any investigation is implemented. Statements such as those just made by the hon. member for Lewisporte is not based on that presumption. It is quite wrong and I will not, Mr. Speaker, give any indication of the nature of the investigation. If the investigation reveals any breach of the law the appropriate action will be taken; if it does not, it will not.

MR. SPEAKER: Hon. Leader of the Opposition. Before his question I would like to welcome to the gallery on behalf of hon. members fifty grade seven students from Mary Queen of the World Junior High School in St. John's accompanied by two of their teachers, Mr. Jerry Lavigne and Mrs Rita Walsh. I know all hon. members join me in welcoming the students and their teachers to the House of Assembly.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Hon. Leader of the Opposition

MR. ROBERTS: Mr. Speaker, a question to the Premier relevant to the bill before the House, the proposed new Labour Relations Act. Has the Premier received any representations from the Federation of Labour with respect to this bill?

MR. SPEAKER: Hon. Premier.

PREMIER MOORES: Mr. Speaker, yes, I have received representations from the Federation of Labour and other labour groups as long ago as eight or nine months at which time the bill was gone through

PREMIER MOORES: thoroughly, at least to the stage it had progressed at that stage, and as I understand it the Minister of Manpower and Industrial Relations - or Labour now, has been having meetings with them throughout as well. I understand at the present time he is meeting with the Federation of Labour executive in his office. I do not know if that answers the question or not but that is the situation.

MR. ROBERTS: A supplementary.

MR. SPEAKER: A supplementary.

MR. ROBERTS: Are the government prepared to suspend or to postpone discussion on the bill which has now received second reading until the Federation of Labour and any other interested groups, be they employers or labour, have an opportunity to make representation on the present bill which in my understanding is significantly different from the legislation that was tabled in the House last year, the legislation in respect of which the discussions to which the Premier referred, in the respect of which those discussions were held. Are the government prepared to suspend or postpone the debate until such time as any group with a legitimate interest, a proper interest, are given the opportunity to express their views either to a select committee or to the House as a whole.

MR. SPEAKER: Hon. Premier.

PREMIER MOORES: Mr. Speaker, the situation is that we will listen to what the Minister of Labour has to say after his meetings this morning. But however, business employers and unions have been involved in the compilation of that bill for some four years. There is always going to be something in any bill that one group or the other is not going to be happy with. As long as that is the case, it means that there would never be any labour legislation if we had to get total agreement on both sides. A lot of work and a lot of thought has gone into that and a lot of consultation with both unions and management. As I say, I do not think either or both groups are going to be totally happy with whatever transpires from any labour legislation. As I say, we will be listening to the Minister of Labour after he has finished this morning, but I might say also that consultations with all relevant groups have been ongoing for a considerable length of time and as the bill died on the Order Paper last year I would certainly hope it does not this year.

MR. ROBERTS: A further supplementary, Sir.

MR. SPEAKER: A supplementary, the original questioner.

MR. ROBERTS: Mr. Speaker, I am glad to hear the Premier has acknowledged that consultations have gone on for a long time. Eighteen months is the gestation period for an elephant, and this particular bill has been five years coming to this stage. Can the Premier tell us whether there has been any consultation with either the Federation of Labour or any labour groups on one hand, or, on the other hand, any groups representing employers with respect to the bill as it is now before the House, Sir? I want to draw the distinction between the legislation which was rushed into the House on Wednesday and rushed through here yesterday. I want to draw the distinction

MR. ROBERTS: between that bill on one hand and on the other hand the draft legislation as it was presented to this House last year, legislation which, as the Premier says, the government chose not to proceed with in the 1976 session.

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, we talk about the gestation period for an elephant being eighteen months and five years for this bill. Both will be like lightning compared to the hon. gentleman becoming Premier. However, having said that, Mr. Speaker, I do not know and I will have to refer this question to the Minister of Manpower and Industrial Relations.

MR. SPEAKER: The hon. the member for Windsor - Buchans followed by the hon. the member for LaPoile.

MR. FLIGHT: Mr. Speaker, my question is for the Premier. Around two weeks ago the Premier gave an undertaking that he would table the report received by Cabinet as a result of those meetings held in Grand Falls between ASARCO and management of Price (Nfld.). Would the Premier please indicate if he is in a position to table that report now?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: I apologize for that, Mr. Speaker. The Minister of Mines and Energy, I talked to him immediately after that. He said he was going to get it for me. I do not have it yet but I will certainly follow through on it today for you.

MR. FLIGHT: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. FLIGHT: Would the Premier indicate whether or not the Cabinet has studied the report yet and is in a position to take any action with regard to the

MR. FLIGHT: results of that report?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: I might say, Mr. Speaker, for the hon. gentleman's information, I do not think it is the normal thing to say but last week we spent some couple of hours doing nothing but the Buchans Task Force and reports of that nature that refer to the district that the hon. gentleman represents.

MR. SPEAKER: The hon. the member for LaPoile.

MR. NEARY: My question is for the Minister of Health, Sir. Now that the minister is back in his seat and the name of Dr. Selikoff has become almost a household word in Newfoundland, would the minister indicate to the House if the minister's department has taken any action on the reports of occupational health hazards with regard to mining asbestos in Baie Verte and on the roads in Baie Verte? Has the minister any information to give the House in this matter?

MR. SPEAKER: The hon. the Minister of Health.

MR. H. COLLINS: Yes, Mr. Speaker. As a result of some statements which have been made in this House, and some letters from Dr. Selikoff have been used - I believe they were the subject of a press conference by the Opposition - we tried, both myself and my Deputy Minister to get in touch with Dr. Selikoff all last week and the week before. We finally telexed the gentleman and wrote him and I can say that we have received a response from him, received it a couple of days ago.

MR. NEARY: A supplementary question then, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. NEARY: Obviously the gentleman has gone to great pain to get in touch with Dr. Selikoff. Did I understand the minister correctly that there is a response from Dr. Selikoff?

MR. H. COLLINS:

Yes.

MR. NEARY:

Would the minister tell us,
is it in writing?

MR. H. COLLINS:

Yes.

MR. NEARY:

Would the minister tell us
what is in that report or whatever it is the minister
has recieved from Dr. Selikoff?

MR. SPEAKER:

The hon. the Minister of Health.

MR. H. COLLINS: Mr. Speaker, I am not so sure that I should indicate what is in the letter, although I suppose there is nothing confidential, nothing to be regarded as confidential because when Dr. Selikoff eventually writes his report that will become public knowledge because copies of the report will go to the Steel Workers Union, copies of the report will go to the Johnsmansville people, and a copy will be coming to us, and I suppose that that will be a public report then, But I can certainly inform the hon. House that - I think I have a copy of the letter here. There is nothing in the letter which alarms me to any great extent. I would certainly be glad to table a copy of the letter and let hon. members see it so that the air will be cleared in terms of what Dr. Selikoff tells us now, and the date on this letter is May 25. And I do not think I would be betraying Dr. Selikoff because as I said, Mr. Speaker, the report when it is finally made available will become a public report. I can only table the letter and get copies made.

MR. NEARY: Will the minister read the copy of the letter to let the House know what is in the letter? It is not a long letter, It does not look like a long document.

MR. H. COLLINS: Yes, Mr. Speaker, Dr. Selikoff starts off, he says, "I have been deeply aware and most appreciative of your concern - the letter is to me - regarding health hazards in the Baie Verte area. We are equally confident that your interesting commitment will assist an implementation of such modifications of conditions associated with the asbestos exposure in that area as these are found desirable. We have not yet formulated recommendations since we are only now completing our statistical analysis. I expect that the summary data would be available shortly since we have completed the compilation of the individual findings. We are now beginning to send reports to each of the miners and the statistical summaries will be available when these meetings are finished.

"At that time we will forward to you, to Johnsmansville, and the United Steel Workers the results of the investigations.

Mr. H. Collins:

We will also offer such recommendations which, in our opinion, may be warranted on the basis of the results obtained.

"Some week ago Mr. Rideout contacted us asking for a summary recommendation concerning environmental contamination associated with roads constructed of asbestos content block. He stated that there was some urgency in the matter because of budgetary scheduling problems. We wrote him in this regard, but did not provide - I repeat, Mr. Speaker, did not provide - any detailed review of our data on environmental measurements. In substance we suggested that the roads be so treated as to minimize or eliminate asbestos contamination from this source. This was in no sense an official report, but simply an answer to an inquiry. We intend to review this matter in greater detail in our report to you. We have been most appreciative of your co-operation, it has been very helpful in our work. Signed Irving J. Selikoff, M.D."

MR. NEARY: Would the minister table that document?

Mr. Speaker, is the minister going to table the document?

MR. H. COLLINS: Yes.

MR. NEARY: Well, where is the page?

MR. ROBERTS: Will he also table the telex as well?

MR. NEARY: Yes, will the minister table the telex also?

MR. H. COLLINS: I have not got it here now.

MR. NEARY: But the minister is prepared to table it?

MR. H. COLLINS: Sure.

MR. NEARY: Okay. A supplementary question then, Mr. Speaker, arising out of the report of Dr. Selikoff. Does the minister or his officials feel that there is any sense of urgency in connection with this matter? And is the minister's officials keeping a watchful eye on the situation and continuously monitoring the asbestos dust problem in the Baie Verte area?

MR. SPEAKER: The hon. Minister of Health.

MR. H. COLLINS: Mr. Speaker, as I indicated on numerous occasions in the House that we have co-operated with Dr. Selikoff to the extent to which he requested co-operation both financial and in term of human resources. Dr. Selikoff and his team did a considerable amount of work in the Baie Verte area, and for us to commence any further testing at this stage until we receive the report from Dr. Selikoff and his team would be not only a waste of public funds but a waste of effort as well. We hope now that we will be able to maintain good liaison with Dr. Selikoff, and some indications in this letter the report should soon be received, once it has been received then of course we will get the detailed study and attention and consideration which it deserves.

MR. ROBERTS: A further supplementary.

MR. SPEAKER: A supplementary by the hon. Leader of the Opposition.

MR. ROBERTS: Thank you. Mr. Speaker, the minister very kindly read the letter which he received from Dr. Selikoff. Could the minister tell us whether in the minister's view the statements in the letter are a contradiction of the opinion expressed by Dr. Selikoff in the letter which he, Dr. Selikoff, sent to the gentleman from Baie Verte - White Bay, the letter which was made public as the minister has mentioned? Is the minister going to answer ?

MR. SPEAKER: The hon. Minister of Health.

MR. COLLINS: Mr. Speaker, the only response I can make to that is that there were two letters, I believe, received. There might have been a dozen. But I am told by the hon. member for Baie Verte - White Bay (Mr. Rideout) that he received two letters. In fact, he gave us copies of them, I think, too. One letter drew attention to the possibility of some future problems on the Baie Verte road, as I understand it. He did not categorically say anything.

MR. ROBERTS: But he did say the roads ought to be paved.

MR. COLLINS: Well, I suppose every road in the country should be paved or treated.

MR. ROBERTS: No, but Dr. Selikoff said in his opinion that it ought to be paved for medical reasons.

MR. COLLINS: Well, I would not mind tabling those letters, Mr. Speaker. I have not got them with me, but let us get those letters and table them so that we can show that Dr. Selikoff was not very definite or categorical in his statements in those letters. Let us get them and table them and have a look at them.

MR. ROBERTS: The letters were public anyway. But answer the question.

MR. SPEAKER: The hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, my question is for the Minister of Tourism. I am wondering if his department has any results yet of the moose samples from the ERCO Long Harbour area? Have they received any results from the tests that were done on these moose from that area?

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: Yes, Mr. Speaker, we have some further results back, and efforts that have been made and have been going on since the initial statement are now being finalized. And I hope that a statement will be made soon outlining the situation. The efforts that I refer to, of course, are in connection with the acquiring of an agency to gather, to take all the data, to gather more or whatever other information that is necessary, and to do a thorough investigation into the whole situation.

MR. CALLAN: A supplementary.

MR. SPEAKER: A supplementary.

MR. CALLAN: The minister is not in a position right now then to indicate whether the tests done on the moose resulted in the same analysis as the rabbits, for example, that the meat was not affected, however the bones were. Is the minister in a position to clarify that?

MR. SPEAKER: The hon. minister.

MR. HICKEY: No, Mr. Speaker. I think it would be irresponsible for me or for that matter any lay person, certainly any person without having expertise in fluoride, I think it would be irresponsible to draw conclusions at this time, and for that reason we have not made any statement with regards to the most recent reports that we have received back. Those are being analyzed and are being checked out. And as I said, efforts are still continuing to put together this agency, acquiring this agency, and putting together the whole situation which will be announced as quickly as possible so that the work can continue and get into high gear, and indeed we are very anxious to get it moving.

MR. SPEAKER: The hon. Leader of the Opposition.

MR. ROBERTS: Mr. Speaker, a question for the Minister of Tourism as well on a different subject with respect to the policy governing the issue of moose licences. What is the policy, Sir, in the situation where a person was awarded last year the right to buy a licence - his name was drawn or whatever the procedure is - but chose not to exercise that right and chose not to exercise it in good time that the licence was issued to somebody else? It did not just go into default. Is that person now considered to be in the category of those who were issued a licence last year and therefore, as I understand the system, do not qualify or are the last to qualify for a licence this year? I think I have made it clear. Okay, if I have made the point perhaps the minister could tell us the policy, Sir.

MR. SPEAKER: The hon. minister.

MR. HICKEY: Mr. Speaker, as I understand the question of the hon. Leader of the Opposition, and I think it applies to a number of people last year, probably a couple of dozen or more, people whose names were drawn, but they did not pick up their licence, they did not forward their money and pick up the licence, and in fact -

MR. ROBERTS: But notified the department in good time so that the licence could be issued to somebody else.

MR. HICKEY: Yes.

MR. HICKEY: As I understand it, and I will check to make sure, but as I understand it those people would be considered now to have had an opportunity to hunt. Although they did not take a licence or did not use it as such, their names were drawn, they could have, they forfeited the right when they did not pick up the licenses or pay for them. Now that is from memory, I will check that out and I will give the leader a further explanation.

MR. ROBERTS: A supplementary on that, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. ROBERTS: I am grateful to the minister. It seems very unfair where a person turned down the license in good time. Now if he just choose not to pick it up and thus the opportunity of somebody else to have the license was lost, that I think is a different situation. So on that basis it seems to me unfairly to penalize a person to say he cannot even get his name put in the draw this year. Would the minister undertake to review the policy with a view to seeing it could be changed at least in respect to people who played the game to the extent of saying, "Look, I am sorry. Circumstances have changed since I applied for my license, I will not be needing one now and I tell you this in time enough that somebody else can get a crack at the license." I think that would be a fairer way to go at it than what appears to be the situation now.

MR. SPEAKER: The hon. minister.

MR. HICKEY: Mr. Speaker, I am certainly prepared to do that. On one other point of clarification, as I said I would want to check to make sure the case as referred to by the Leader of the Opposition applies to what I have said. It is quite conceivable that it does not. I do recall a number of situations last year, numbering two dozen or more, where licenses were not picked up. It is conceivable that there was no notification by those people and if that is the case then they would fall in this category.

MR. ROBERTS: Those people have forfeited their rights.

MR. HICKEY: If someone had in fact notified us in time so that the license was made available to someone else, then certainly as the leader points out there seems to be a valid case and certainly I would gladly look into it.

MR. ROBERTS: It is only the latter case I am concerned about.

MR. SPEAKER: Hon. member for LaPoile followed by the hon. gentleman from Bellevue.

MR. NEARY: Mr. Speaker, my question I was going to direct to the hon. the Premier, but in the absence of the hon. the Premier I will direct my question to the Minister of Justice, the government House Leader, the acting Premier. Can the acting Premier tell the House if a major meeting of ministers, the premier, ministers and high ranking government officials is scheduled to take place in Happy Valley and Goose Bay in the near future? And if so will the government be announcing a Deputy Minister of Labrador Affairs?

MR. SPEAKER: Hon. Minister of Justice.

MR. HICKMAN: I am not in a position to answer that question.

MR. NEARY: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary.

MR. NEARY: Would the minister tell the House if the government have given any consideration to appointing a minister rather than an assistant deputy minister or a deputy minister of Labrador affairs? Would the government consider or have they considered appointing a minister to give Labrador full ministerial status rather than pawn them off on an assistant deputy or a deputy minister?

MR. HICKMAN: I will have to take that as notice.

MR. SPEAKER: Hon. member for Bellevue followed by the hon. gentleman from Fogo.

MR. CALLAN: Mr. Speaker, my question is for the Minister of Municipal Affairs. In view of the fact that only councillors in the two cities in our Province, St. John's and Corner Brook, get paid for services rendered as council members, I am wondering, Mr. Speaker, I

MR. CALLAN: am wondering if - and the fact that, in view of the fact that there will be municipal elections Province-wide in the Fall and there may be a likelihood that there might not be too many people interested in running for council as there seems to be a trend away from that, I am wondering if legislation is going to be brought in this session of the House to provide remuneration for councillors other than just in the two cities?

MR. SPEAKER: Hon Minister of Municipal Affairs.

MR. DINN: Mr. Speaker, it certainly will not be done in this session of the legislature. One of the recommendations of the Whelan Commission Report was that this be looked at and we certainly have been doing just that. We have a steering committee set up of some officials of government plus representatives of the Newfoundland Federation of Municipalities who are going through these two reports, the Whelan and the Henley Report and are making recommendations on a periodic basis. Now we have not received anything on that to date so it certainly would be too late right now to get it in this session.

MR. SPEAKER: The hon. member for Fogo.

CAPT. E. WINSOR: Mr. Speaker, I have a question, and I am not sure who I should direct it to -

SOME HON. MEMBERS: Oh, oh!

CAPT. E. WINSOR: - the Minister of Transportation is out of town, and the Premier is out of his seat, and I do not know whether it would apply to the Minister of Justice or the Minister of Municipal Affairs; but there is a problem arising in the Musgrave Harbour area where there is a paving programme going ahead. And the question is, is there a minimum for paving through a community? Now I have been told that a contract was called for sixteen feet, of course, which is only a cow path, Eighteen feet is not much better where you have those large transports going through now, and the people there are asking for a minimum of twenty or twenty-one. Is there anyone who can answer that question?

AN HON. MEMBER: Are they local roads?

CAPT. E. WINSOR: No. The government is paving the road through the community.

MR. ROBERTS: The so-called main road.

CAPT. E. WINSOR: The main road through the town.

MR. SPEAKER: The hon. Minister of Municipal Affairs and Housing.

MR. J. DINN: So it is under T and C is what you are saying, hon. member?

CAPT. E. WINSOR: Yes.

MR. J. DINN: Yes. Well I believe there are, you know, standards for a minimum width road, but I do not know what they are. I will have to take it as notice and try to find out, Mr. Speaker.

CAPT. E. WINSOR: Would the minister undertake to check because the paving is going to start on Monday?

MR. J. DINN: Certainly.

ORDERS OF THE DAY

MR. HICKMAN: Mr. Speaker, the Orders of the Day have not yet been circulated.

MR. SPEAKER: They have not arrived.

MR. HICKMAN: Yes, they have not arrived.

SOME HON. MEMBERS: The Order Paper.

MR. HICKMAN: The Order Paper, right, but there were five bills of notice which were given yesterday, and I would like to move first reading of them. The first bill is "An Act to Amend The Community Councils Act, 1972."

On motion a bill, "An Act To Amend The Community Councils Act, 1972", read a first time, ordered read a second time on tomorrow. (Bill No. 75).

On motion a bill, "An Act To Amend The Memorial University (Pensions) Act," read a first time, ordered read a second time on tomorrow. (Bill No. 72).

On motion a bill, "An Act To Amend The Child Welfare Act, 1972", read a first time, ordered read a second time on tomorrow. (Bill No. 69).

On motion a bill, "An Act To Remove Anomalies And Errors In The Statute Law", read a first time, ordered read a second time on tomorrow. (Bill No. 63).

On motion a bill, "An Act To Amend The Embalmers And Funeral Directors Act, 1975", read a first time, ordered read a second time on tomorrow. (Bill No. 71).

MR. SPEAKER: Motion 4. The motion is that I do leave the Chair for the House to resolve itself into Committee of the Whole.

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

COMMITTEE OF THE WHOLE

MR. CHAIRMAN: Order, please!

RESOLUTION:

That it is expedient to bring in a measure further to amend the Insurance Premiums Tax Act, Chapter 179 of the Revised Statutes of Newfoundland, 1970.

MR. NEARY: Mr. Chairman, do we get a chance to debate this?

MR. CHAIRMAN: The hon. Minister of Finance.

MR. DOODY: You can have a slice in a minute.

MR. NEARY: I am going to take a slice off that.

MR. DOODY: I am certain that you will.

This is the increase in the insurance premium tax which was announced in the budget of a few weeks ago, Mr. Chairman. Under the Insurance Companies Act there is a seven per cent insurance premium charged on insurance policies, and many of the companies have been listing that as SSA tax, or as retail sales tax, seven per cent, and there have been many enquiries, including myself, since my own household insurance had that notation on it. I brought it to the attention of the department who informed me that it was not a retail sales tax. It was an insurance companies tax and so we felt that we should bring the two taxes to a ten per cent level which would be a very convenient way to raise an extra \$2.8 million of revenue in 1977-1978.

This per cent is as of the first of June.

MR. ROBERTS: No, no! This was before the -

MR. DOODY: No, no! Seven per cent prior to this.

The tax was seven per cent on all insurance.

MR. ROBERTS: Are all included, automobile, fire -

MR. DOODY: Yes, that is right.

MR. ROBERTS: You can still die untaxed.

MR. DOODY: Yes, you can die untaxed and unfortunately.

We try to get the pound of flesh off before you go.

MR. DOODY:

We try to do it *pre mortem* rather than *post mortem*, because we would like to have him know that he is helping his country when he is alive.

MR. ROBERTS: I suppose you could always levy a tax on dying.

MR. DOODY:

I do not know. I guess that may be included in the first reading that was given today on the Embalmers and Funeral Directors Act. There may be something to that effect. But in any event, there was some confusion there, but that is certainly not the main reason for the increase. The main reason for the increase, of course, is to raise that additional \$2.8 million. It is unfortunate in many ways. All taxes are unfortunate, of course, but this one, it has been pointed out, that this is at a particular time when insurance rates generally are in question and the Department of Consumer Affairs are looking into insurance rates generally, and we have had quite a lot of public attention drawn to them. However, that does not in any way diminish the need of the Province for revenue to carry on the essential services and so unfortunately this is one of the few remaining avenues that were open and we seized it, and it is our intention to ask the taxpayers to contribute that additional \$2.8 million through the insurance premiums tax. And with these few words, Sir, I now give the hon. member for LaPoile (Mr. Neary) the opportunity to berate me for once again assailing the private person.

MR. CHAIRMAN:

The hon. member for LaPoile.

MR. NEARY:

As usual, Sir, the hon. gentleman predicted what I am going to do. I consider this tax to be very unfair and unjust, and it is regressive and it creates a burden for the ordinary people of this Province. Well, all taxes do.

MR. NEARY: But the minister had other avenues open to him. I said, Sir, several weeks ago and I have been saying ever since, that before the Minister of Finance and the government started socking it to the ordinary people of this Province, putting additional taxes on the ordinary people who are already overburdened with taxation, they should have started to do a little house cleaning and eliminated some of the extravagance and waste that this government has been noted for in the last four or five years.

The minister wants \$2.8 million. The minister could have gone over his estimates, Sir, with a finetoothed comb, and the estimates of all the other government departments and the minister could have saved that much money in economies.

For instance, the Norma and Gladys this year is going to cost \$300,000.

MR. ROBERTS: There is 10 per cent tax on the insurance on the Norma and Gladys too.

MR. NEARY: No, she is not insured, Sir. I doubt if she is insured, Mr. Chairman. I doubt if they could get any company foolish enough to insure the Norma and Gladys. Apart from the economy, Sir, there are all kinds of other avenues open to the minister to get this \$2.8 million rather than to take it out of the backs, out of the hides of the ordinary people of this Province. So I am going to vote against this bill, Mr. Chairman, although I know it will not do any good. I know the administration will use their majority, will use brute force to put this resolution and this bill through the House. The minister has already announced it in his Budget Speech, and no doubt before the morning is over this bill will be approved. But it will not be approved with my blessing. I am against it. I think it is an

MR. NEARY: Mr. Chairman, this is something that bugs me. What about the Labrador Exploration Company? Is it Newfoundland and Labrador Exploration?

MR. DOODY: Labrador Mining and Exploration.

MR. NEARY: Labrador Mining and Exploration that do not do one thing in this Province but take out \$15 million or \$20 million every year on the ore that is mined in Labrador City and Wabush and they do not put one cent back. Why did the minister not get his \$2.8 million out of that crowd? All that money goes up to the mainland.

AN HON. MEMBER: We are. We are.

MR. NEARY: We are not getting it, Sir. I asked the minister. We are not getting what we should be getting out of it. Labrador Mining and Exploration, Sir, in the last two or three years have made more profit than Iron Ore Company of Canada and the Wabush Mining Company put together, yet what taxes has it paid to this Province? Put it all together and Labrador Mining and Exploration have walked out of this Province with about \$20 million in profits. What for? For nothing, Sir. Absolutely nothing. They contribute nothing to this Province but a few paltry dollars in taxes. And the minister will not tell us, will not even tell us how much they are paying, how much is going into the public treasury in taxes.

I put a question on the Order Paper. I do not know if that is one of the answers the minister gave me today or not, but I called up the minister's officials and they refused to give me the information.

MR. DOODY: There is to be a breakdown. I gave you a total amount.

MR. NEARY: A total amount is what I asked the minister's officials for and they refused to give it to me.

MR. DOODY: Of all the tax revenue.

MR. NEARY: I do not want all the -

MR. DOODY: All the mining tax revenue.

MR. NEARY: I do not want a total of all the tax revenue, I want to know how much Labrador Mining and Exploration is paying this Province in taxes as compared to how much they are taking out of this Province and carrying up to the mainland. You talk about a sweetheart deal. There is one if I ever saw one. We should put a surtax on that crowd. They should not be allowed to take \$10 million, or \$15 million, or \$20 million a year out of this Province for doing nothing. They do not do as much as lift a finger. Then the minister does not go after that crowd of big shots up in Bay Street and up in the skyscrapers up in Toronto. No! He will go after the ordinary person and take it out of them.

What about the big oil companies that are doing business in this Province and socking it to the ordinary person? What about getting after them and getting a few dollars out of them? And the hotels and the airports that are charged taxes everywhere else but not here in this Province. No, go back and get after the ordinary person. This seems to be the philosophy and the policy of this hon. crowd. Sock it to the ordinary person. Leave out the elite. Leave them alone. Leave the high mucky-mucks alone. Leave the lounge lizards alone.

Mr. Neary:

Take it out of the backs and out of the hides of the ordinary people. And I am not against the government getting money, Sir, the minister is likely to get up now and say, Oh we need the money and we need \$2.8 million to keep her afloat and to meet our bond issues and all this sort of thing. I know the government has to have money but this is not the way to get it by adding another tax to the already heavily over-taxed ordinary person of this Province. So, Mr. Speaker, I know the government is not going to reconsider, it is useless and pointless for me to ask the minister to reconsider and go after the big shots and the multinationals and the corporations and the wealthy people, the millionaires, to after them instead of going - and I can hear the minister getting up now saying, Oh the corporations will pay the tax the same as the ordinary person. They will pay 10 per cent on their insurance rates. They will pay the same as the millionaire. He will pay 10 per cent. But is that fair? The millionaire can well afford it, the multinationals and the big corporations can well afford it, but the ordinary person cannot afford it.

Mr. Speaker, every ordinary person in this Province today is almost ready to give up they are so discouraged, to give up work, to give up, period. I say half the Province is on tranquilizers, they cannot cope. They do not know where it is all going to end.

MR. SMALLWOOD: This bill provide for equality of sacrifice -

MR. NEARY: Equality of sacrifice! The hon. gentleman -

MR. SMALLWOOD: -by the taxpayers.

MR. NEARY: This bill? No! It does not provide equality of sacrifice. It is 10 per cent on fire insurance, automobile insurance, and the like. So that means that the ordinary person, the one who can ill-afford it, will pay 10 per cent, the millionaire will pay 10 per cent, the multinationals will pay 10 per cent.

MR. SMALLWOOD: Would the hon. member remind himself of the classic remark of Anatole France, who said that the Law in its majestic equally forbade the millionaire and the pauper alike to sleep under the public bridges; both of them were forbidden to become

Mr. Smallwood:

derelicts in this majestic equality. Is this the same kind of majestic equality?

MR. NEARY: Well, I would not say that, Sir.

AN HON. MEMBER: It is identical.

MR. NEARY: I have tripped over these people the hon. gentleman is talking about on the Seine and I think they were allowed there. Now when De Gaulle came back in power he tried to move all these people, derelicts and millionaires and the like, writers, journalists, artists, all down sleeping with newspapers over their faces, The hon. gentleman has probably seen them.

MR. DOODY: Millionaires?

MR. NEARY: Millionaires down on the Seine.

MR. DOODY: Sleeping under the bridges?

MR. NEARY: They opted out. A few years ago they opted out of society, De Gaulle came back in power -

MR. ROBERTS: They took their millions with them.

MR. NEARY: - and De Gaulle came back in power, while they were down there they were usually drinking. They were drinking wine all day long and a loaf of bread, and I remember going to the marketplace one morning.

MR. DOODY: I assumed the millionaires had a higher quality of wine.

MR. NEARY: No. They were just opting out -

MR. ROBERTS: Nothing under a -

MR. NEARY: They were opting out. I remember going to the marketplace one morning when they were unloading the produce and they were all up earning their few francs so they could buy a drop of wine and a loaf of bread and go back on the Seine, and then De Gaulle tried to move them into an institution. He built an institution for them and moved them all in and they stayed there twenty-four hours and they all went back on the Seine again. But, Sir, this is an unfair -

MR. ROBERTS: Something like New Gower Street.

MR. NEARY: But, Sir, this is an unfair tax. And what they should have done, Mr. Speaker, the insurance companies in this Province, thanks to this government, thanks to compulsory insurance have struck a real bonanza, They found a pot of gold at the end of the rainbow. The government through compulsory automobile insurance have given the insurance companies a licence to print their own money, and we have been trying to get an investigation into the insurance rates in this Province, and we cannot seem to do it.

 The Minister of Consumer Affairs told he there last week that he has the report of the Internal Committee on his desk, but he has not had time to look at it. When he looks it over he may or may not let me see it. He

Mr. Neary.

may let the House see it, and he may not, no promises, no commitments. Yet this is the administration that told the people of this Province that there would be an investigation or a commission of enquiry to investigate insurance rates in this Province to see if we were in line with the rest of Canada. Because, Your Honour may remember that when the owners, when the principals of the insurance companies - remember there are only brokers here in this Province -

MR. ROBERTS: No, no.

AN HON. MEMBER: No, no, not always.

MR. ROBERTS: There are a number of local insurance companies.

MR. NEARY: Well, generally speaking most of them are brokers. And when the owners, the principals came down here to the hearings they said that the rates here were almost identical to the rates in other parts of Canada, but it was the commissions and the brokers that were socking it to the local people. I do not know if hon. gentlemen remember that, but I was at that hearing. I could hardly believe my ears when I heard these gentlemen come out and say, Well, here are the rates in Newfoundland, here are the rates in Montreal, and here are the rates in British Columbia. And there was just a small difference, minor differences in the rates. So it was the local brokers and commission agents that were socking it to the local people. And there is where the minister could have gotten his \$2.8 million. Get it out of that crowd that spend half their Winters down in Florida.

MR. DOODY: Careful now.

MR. NEARY: Well, the hon. gentleman is trying to sell his condominium. Is the hon. minister interested?

MR. DOODY: Interested, but it is out of my league.

MR. NEARY: It is not a bargain. It is not a fire sale price. I do not think.

MR. NEARY.

But, Sir, looking at the Newfoundland Gazette practically every week new insurance companies are being formed, usually friends of the administration, most of them. I follow, I look at the names.

MR. DOODY: We have got a lot of friends.

MR. NEARY: Well, maybe they have got a lot of friends, but they very easily could have gotten \$2.8 million. They could have gotten more than that. They could have gotten double that amount out of the insurance brokers and the insurance companies, but no, Sir, they did not take that route. No! Sock it to the ordinary person, make him pony up the \$2.8 million that the minister wanted, add on another three per cent on to his fire insurance and his car insurance.

MR. SMALLWOOD: How would they get it out of the insurance people ?

MR. DOODY: They already are, Sir, under the corporation tax.

MR. NEARY: Increase the corporation tax. That is all they have to do.

MR. DOODY: We have already increased it beyond -

MR. NEARY: Does my hon. friend realize that most of the insurance that is sold in this Province is sold on a commission basis by brokers? We only have a handful of local companies. And these brokers, I was down at the hearing when all these fellows with the pinstriped suits and the briefcases waltzed into the hearing, and they all sat down with their lawyers and their accountants and their actuaries, and I was there, this little fellow from Quigley's Line, sitting down listening to them all giving evidence -

MR. SMALLWOOD: A pinstriped suit?

MR. NEARY: I did not have a pinstriped suit, no. I had on my lumber jacket that my hon. friend criticizes so much.

MR. DOODY: The red one?

MR. NEARY: The red one that was given to me three Christmases ago.

MR. DOODY: That is a nice jacket. I like that.

MR. NEARY: I am getting great mileage out of it,
great wear out of it.

MR. DOODY: A good jacket.

MR. NEARY: But anyway, for the benefit of my hon.

friend from Twillingate, what the principals of these companies, the owners of these insurance companies said was this - they gave us the rates, as a matter of fact. I nearly fell off the seat when I heard them say that there is very little difference in insurance rates in Newfoundland as compared to British Columbia, and so the question was put to these gentlemen, Well, how come we are paying such high rates in Newfoundland? Well, they said they could not explain it. It was probably as a result of the brokers or the commissions or the local agents. Does the hon. Premier realize that? The rates are almost equivalent here as they are in Montreal, Toronto and British Columbia but our local boys are the fellows who are socking it to us.

MR. SMALLWOOD: The rates are the same but the charges are different.

MR. NEARY: The commissions -

MR. SMALLWOOD: The charges.

MR. NEARY: The charges.

MR. SMALLWOOD: What the public are charged.

MR. NEARY: What the public are charged here. That is why we want an investigation into insurance rates in this Province that we cannot get this hon. crowd over here to give us: The Minister of Consumer Affairs says, We are going to have an internal investigation. That is not good enough. We want a full-fledged, independent, impartial investigation. The minister should have gone after that crowd and got his \$2.8 million. I would like to hear the minister's answer to that when the minister gets up to close the debate. I am not out to tear strips of hide off the hon. gentleman just for the sake of criticizing the poor Minister of Finance's struggle in trying to keep her afloat.

MR. DOODY: Thanks be to God!

MR. NEARY: And here we have, while the minister is doing that, we have NAPE down here saying what? We are bankrupt, on the verge of bankruptcy, and the Premier refused to go down, the employer, the Premier who is the employer, refused to go down to speak at the opening of the NAPE convention, and here they are coming out and saying, The Province is belly-up, we are bankrupt.

MR. SMALLWOOD: If I were Premier and they were saying that, I would not go near them either.

MR. DOODY: That is right.

MR. NEARY: But they did not say it before the Premier was invited.

MR. SMALLWOOD: So they said it because he would not come?

MR. NEARY: No, I do not know whether that was the

MR. NEARY: reason for saying it or not but this makes the Minister of Finance's job all that more difficult. And I am not denying the fact that the minister does not need money but, for Heaven's sake! when the minister needs money in the future look for other sources to get it, other ways to get it rather than taking it out of the hides of the ordinary people of this Province.

MR. CHAIRMAN: Hon. Minister of Finance.

MR. DOODY: I just would like to respond to some of the extremely well-delivered and highly histrionic exclamations of ardor from my friend from LaPoile. The simplification of the case as presented by him of course is absolutely ideal and the idea of socking it to the big corporations is an absolutely delightful one. The unfortunate case of the matter in Newfoundland is that we have so few large corporations to whom we should sock it, and the more we sock it the fewer corporations we are going to have. We have the highest corporate income tax rate in Canada right now and I think if there was any possible or reasonable way of doing it in the interest of the future development of the Province and so on the corporate tax should be reduced, if anything, as an incentive to get these people in here to invest their money. That being as it is, if these insurance companies are making these huge, excessive profits that the hon. member refers to, then have no fear that they are well and truly taken care of by the corporation tax. The federal government, looking after the provinces, or in conjunction with provinces in collecting the income tax, with the exception of the provinces of Quebec and Ontario, are well and truly able to slice off any excess profits or any excess flesh that some insurance company might make.

If in the event that they do this thing, then certainly the Province of Newfoundland will get its share. That does not change the situation one iota with regard to the insurance premiums tax. The fact is not changed. The fact is that it was one of

MR. DOODY: the very few avenues that were available to raise some tax, it is a tax of equal application, It is true that it is less onerous on the millionaire than it is on the person on a fixed income or on a low income or on a middle income. Unfortunately that is true of all the taxes that the provinces have the right to levy. The most regressive tax of all is the tax from which the Province gains the most of its revenue, and that is the retail sales tax. There could not possibly be a more regressive tax than that the ten per cent we charge on retail sales tax. It is a tax that certainly is more onerous on the low income person. But revenue has to come from somewhere, Mr. Chairman, and unfortunately the resources available, the taxation areas available to this Province are rather limited and are becoming more limited all the time and we are rapidly running out of areas from which we can gain revenue. That may very well be a good thing, because if you have not got it hopefully, eventually, we will start to learn that you cannot spend it.

MR. ROBERTS: Yes, but the only problem with that argument is where do we not spend it?

MR. DOODY: Well, this is the area, the conundrum in which we find ourselves. I notice the president of the Board of Trade made a speech to Rotary fairly recently in which he expressed very well the fact that the Province has very little flexibility. Unfortunately the headlines said the Province is inflexible, but what the gentleman meant and what he said in his text was that the Province has no flexibility in the disbursement of its funds. Our funds are committed to social and other ongoing -

MR. ROBERTS: Ninety-eight per cent of the budget?

MR. DOODY: Just about. Well, well in excess of eighty per cent certainly is completely tied in and there is nothing that we can do about it, Debt retirement, health-care, welfare -

MR. SMALLWOOD: Did you hear Premier Hatfield's announcement that everybody in Canada shortly have to start living a lot lower on

MR. SMALLWOOD: the hog.

MR. DOODY: That is right. People have been saying that for so long, you will not find anybody to whom you speak who will disagree with you until you start saying that your ox is the one that is going to be gored, old chap, and then you will hear the vicious screechs and that is true of everybody in this House as well as everyone in each of our districts.

MR. ROBERTS: Everybody is in favour of priorities as long as their wishes get the priority.

MR. DOODY: That is unfortunately correct. All of those people here in this House and in other parts of the Province who advocate restraint and say that we should cut back taxes and we should cut back spending and we should tighten our belts will not hesitate to sign any petition that you bring to their door tomorrow asking for the largest amount of money.

MR. SMALLWOOD: There is an exception.

MR. DOODY: Well, the hon. member for Twillingate does not bring in petitions for the spending of money, that is absolutely correct. I think the only petitions the hon. gentleman brings in are for the closing of taverns on Sundays, thus cutting our revenue. The hon. member for LaPoile mentioned the Labrador Mining and Exploration Company, Limited and the sweetheart deal and the huge rip-off and the great profits and so on.

Mr. Doody.

and what have you. The history of Labrador Mining and Exploration Company and its agreement with the Province goes back, I think, before the previous administration.

MR. ROBERTS: Oh, no! It was Commission of Government, the late 1930's.

MR. DOODY: Commission of Government, that is right, before the previous administration took office. I think it goes back to the late 1920's or the early 1930's.

MR. ROBERTS: No, it was about 1936, 1937, 1938, around there.

MR. DOODY: Let me think. No, I think it was in the 1940's. But anyway that is secondary. What is important is that they did have huge tracts of land up there. There were no conditions. They could do with it as they wished, and they did indeed for quite some time do so.

MR. ROBERTS: Oh, no, there were conditions. Oh, yes, they shed the whole Wabush Mines area.

MR. DOODY: Yes, they shed. They had so much time in which to shed it that they could pretty well look at the perspective areas.

MR. ROBERTS: But they did let go.

MR. DOODY: They did let go a bunch of moose pasture, and then there are a few rocks up there and a few turds and what not which came back. They turned up a few deposits and they have been very successfully developed.

The new Mineral Acreage Tax Act is designed to look after these absentee owners, if you will, and they have been during the past few years spending some money on exploration, not on development. But they have been in their exploration processes bringing to the attention of people like Wabush Mines and IOC the fact that these perspective areas are there.

MR. ROBERTS: I do not defend Labrador Mining, they can speak for themselves, but Javelin are in exactly an analogous position with respect to Wabush Mines. They are getting royalties, Canadian Javelin.

MR. DOODY: That is right.

MR. ROBERTS: - without doing anything now that the project is developed.

MR. DOODY: That is right.

MR. ROBERTS: So if you are going to swinge Labrador Mining then let us swinge Javelin, too. It is the same thing.

MR. DOODY: It all comes under the same legislation. The Price and ASARCO properties out in Central Newfoundland.

MR. ROBERTS: They were getting fifty per cent of the Buchans Mines all those years.

MR. DOODY: They are in the same category. But these people are all being taxed now, and will be insofar as one can in the light of whatever statutory agreements are entered into at the time. And, you know, it has been said here before and I will continue to say it, that you do not take statutory agreements, tear them up and throw them away simply because somebody made what appears now to be or seems to be or obviously is a bad decision. Whether it was made in 1932 or 1946 or 1953 or whatever it was you still have to do business with the business world, and you are not going to do it if you do not have any credibility in the business world. So these things have to be handled as responsibly as possible in the interests of the future of the Province. I am quite sure you could make quite a hit for yourself and quite a name for yourself if you suddenly started to make all these big dramatic moves, but it will be a very short-lived success, I am afraid. There is very little to be said about this particular tax. That is regressive. All these taxes that are applied to the individual are regressive. I do not suppose there is any tax really that is not. But the SSA tax, this type of tax here is particularly obnoxious. But the fact remains that we do need the money, and we have to have it, and this is a relatively - and I say, 'relatively' - painless way of getting some revenue. We have removed the SSA tax from clothing, from fuel oil, but unfortunately it is still in effect on electric heat,

Mr. Doody.

and that is one we have been wrestling with.

I just forget now how much revenue comes to the Province from the SSA on electric heat. It is an unfair situation as it now stands. It is the only heating area that is subject to SSA tax, but I do not think the Province is in a position - certainly not this year and probably not next year - to change that situation.

Anyway, Mr. Chairman, that is the situation on that particular tax. It is all very easy to say that we should go through the estimates with a finetoothed comb and clear out all the debris. It is a pity the hon. House did not have an opportunity to see the estimates

Mr. Doody:

before we went through them with a finetoothed comb.

SOME HON. MEMBERS: Oh, oh!

MR. DOODY: That is right. They used to come up in truck loads, now they are bringing them up in wheelbarrows. So the situation is as I have stated, Sir, and I do not know if anybody else wish to make any comment on that particular resolution.

MR. ROBERTS: Mr. Chairman, -

MR. DOODY: There are three or four others there as well.

MR. ROBERTS: - I would like to say a few other words on two aspects, first of all on the more general nature of the minister's remarks, and then perhaps a few words specifically on the resolution or the bill now before the Committee.

The budget debate has not as yet been called, and I hope it will be called next week, and I hope it will be called in a way that we can have some meaningful budget debate because I think the types of questions which the minister touched upon in his remarks are very real questions. I think any of us who is the least bit concerned with the future of this Province, and I think every member of the House is concerned with the Province and so we all ought to be, and anyone of us who is concerned with the Province, Mr. Chairman, is very much aware of the situation which the minister outlines. It is really the basic financial situation. We can talk all we want about this type of expenditure or that kind of tax, and that in its place is all very fine, but the basic problem is the one which the minister outlined.

I have now had an opportunity, as have a number of my colleagues, to see government from two sides. A number of years ago I was one of those who had to wrestle with the estimates which then came up in the yellow covers, The Cabinet estimates they were called, the draft estimates, were bound in yellow covers before we got budgets with fancy coloured photographs on the front, a fancy

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colour photograph which is a little hard to take in an era of austerity because there are a few thousand dollars to be saved there.

But in any event we had the business of wrestling with the estimates. Now we have seen it from the other side. And that is a good experience, too. The problem I am not sure is capable of solution. I have watched the present administration wrestle with it for the last four or five years, and they have had their able men in the Finance Department, the present minister, his predecessor, Mr. Crosbie, an able man. I will pass over Mr. Val Earle in decent silence. But, you know, they have had some able men wrestling with the problem. And the problems now are worst than ever before. The deficit continues to grow. I was just looking at the tables in this year's budget and last year's budget with the total debt position of the Province, and even though they have been restated-I have my own thoughts as to why they are restated - the numbers do not tally, very interestingly. They appear to be a little less although in actual fact they are greater. But, you know, the debt continues to grow, our tax burden continues to grow, and yet our services are not only not expanding they are barely being kept at present levels. And I do not say that in any critical sense at this stage, but, you know, anybody connected with hospitals, and anybody connected with the school systems acknowledges that dollars are tight, that services are being run in a way and in circumstances that are pretty close to the bone. I think there were perhaps some lush times. There was certainly a lot of fat when this progress began - it began about 1968 really in this Province - the process of trimming out the excess, Now I am not sure it has not gone past the point of no return.

My own thought is that the one area left where we really could make some cuts is in the total number of the public service. It has grown immensely. I am not so sure it is terribly productive, and I sometimes think that if we were to look at it

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rigorously we could find some very real savings in the public service. I think we are over staffed and I think we are underserved, I am not just talking about the infamous secretariats. The tip of the iceberg, they perhaps personify and exemplify the problem.

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The problem is real, Sir, and I think anybody who is going to talk about the financial problems of this Province has got to come to grips with it, because we are paying these heavy taxes with every prospect of them getting better - I am sorry not getting better, getting heavier, getting worse.

I say now when the minister brings in his budget next year, if he is still the minister, if he is still the Minister of Finance, that there will be tax increases next year. There have been tax increases in every year in which this government bought in a budget with the exception of the pre-election budget which of course was hoaxed up, it was a fake budget, and we saw the true budget when the present Minister of Finance bought in his first budget in November 1975 after the election. The Spring budget in that year was a complete piece of flummoxery, and fakery, and hoaxery. It was a fraud. It was intended to defraud the people of the Province. Whether it succeeded or not I suspect judgment has not yet been rendered. And the Minister of Municipal Affairs may query that, but if he looks back he will find out that what I say is quite true. The budget in the Spring of 1975, the only one which Mr. Val Earle presented as Minister of Finance, was a deliberate attempt to deceive the people of this Province with respect to the financial situation of the government of this Province.

But be that as it may, Mr. Chairman, the problem is still there. The expenses are going up inevitably, and inordinarily and inexorably. We have no choice except to find the money, and I am not sure where we go from here. And I sometimes despair, I sometimes feel that the House is completely irrelevant because we have yet to talk about this problem in this House this session. We have talked about all sorts of things, but at no time, with the exception of the energy estimates, where we were able to deflect the Minister of Energy from his grandiloquent thoughts and bring him back to the reality and to talk about this energy tax, at no time have we come to grips with the basic problem of this Province;

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with the productivity which my friend from LaPoile (Mr. Neary) talks about often, and he is right to talk about it; with the fact mentioned by the Minister of Finance that our corporate taxes are the highest in Canada, and that has an effect on industry. So are our personal income taxes.

You know, it is worth recording that for every thousand dollars of income that Your Honour earns or anyone of us earns here we are paying \$170 more in tax on that than they are in Alberta, which happens to have the lowest personal income tax rate in this country, that our tax rate will be 43.5 points after these changes go through.

MR. DOODY: We got a resolution -

MR. ROBERTS: Yes, but it will be. I mean the resolution will go through, the government do have the majority, and they will have their way.

In Alberta it is 26 points. Now, you know, there are good and sufficient reasons why Alberta is low, and I guess there are reasons why we are so high. The point I am making is not that; the point I am making is what a terrific handicap this is to this Province in trying to attract people to come here. God knows we do not have the best weather in Canada; we sometimes have the worst weather in Canada. We pay other prices for living here. Most of us are delighted to pay the price, I mean, I pay a far higher price and so I guess would every member of the House to live in Newfoundland. Delighted to do it, honoured to do it.

But when it comes to attracting people, I know national companies that have great difficulty in persuading people to come Newfoundland; the high price of housing, the very high price of housing is a deterrent; the incredibly high personal taxes are a deterrent; the high cost of

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food. You know, you could go on through a long litany, but it is becoming more and more obvious that this is a very real handicap to this Province in its effort to develop, to attract people here, and to hold our own people. The out-migration from this Province is both frightening and growing.

MR. DOODY: That is understandable.

MR. ROBERTS: The Minister of Finance says, understandable. Well, in too many cases it is. And I have yet to find anybody who has left this Province happily. How many times have I heard from constituents or families of constituents or other people throughout the Province who have said, Look, John is in Alberta, he went out there. The Great Bonanza last year was not Brooklyn. That was in the 1920's. It was not Toronto. That was in the 1950's. It was Boston in the 1930's or the early years of the century. Now it is Alberta. And John is out there, but he is eating his heart out. He wants to come home, and he will come home with half the money, but he could not even get that. You know, our people want to stay here. And so to me it is part of the problem, and it is growing ever worse. This year's budget will make it worse. This particular tax will make it worse. The tax on corporations certainly does not encourage an entrepreneur to come here. If you could come here or come to Alberta or come to Ontario, if you got your choice - the scales Heavens knows are weighted against us anyway industrially or economically. We are at the far end of the Canadian distribution system. We have that water gap across the Straits and even though it is allegedly, you know, dollar for dollar the same as rail charges, it is an handicap to industry. It is a handicap to anybody trying to sell in the Canadian market. You know, we have all these problems, and then on top of it we are being forced into higher taxes.

Now the insurance tax, the one before the Committee. I could get as coloric, I guess, as the gentleman from LaPoile. I might or might not be as histrionic as he would be

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about this particular tax. I do not like taxes, and I certainly do not like this one. Nobody likes taxes. The problem is that the government have got to find the money. The thing that concerns me about the insurance tax, it is not as regressive as some taxes because at least it is related to what one spends, and what one spends is related in a sense to what one has. And if I choose to have a house that costs \$50,000, and I want to insure it for \$50,000, I am going to pay a higher premium and, therefore, a higher tax than if I choose to have a house that is worth \$30,000.

CAPT. WINSOR: Say an insurance company will put a value on your house, and charge you the extra premium.

MR. ROBERTS: No, Well, I mean the insurance company, I say to my friend from Fogo, the insurance company after all are entering into a contract. It is a matter of bargaining on both sides, and they have to be satisfied on the value of the house just as they have to be satisfied on the claim if it should come to be a claim. Some people think that if your house burns down you automatically get the value of the insurance. That is not so. I mean, the insurance company may or may not pay depending on whether they feel it is justified or not and whether the money is there. What is the other thing that happens? Sometimes they will say, your house is damaged, we can get it fixed for \$10,000. We will give you \$10,000 or we will fix it ourself and if you say it is going to cost \$20,000 that is your problem. We only give you \$10,000.

CAPT. WINSOR: This year they have increased the values without even asking.

MR. ROBERTS: My friend from Fogo says that they have increased the values, and I guess they have, because I am told that the property insurance in this Province in the last few years has been very much a

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losing proposition from the insurer's point of view. And I hold no brief for the insurance industry but you know, let us remember that they are in business with the aim and intention of trying to make a profit and unless they, at least, break even they are not going to be in business very long. And if they are writing insurances which cost them more in claims and administration, than they are taking in in premiums, then they are not going to make a profit. In an insurance scheme, the very essence of an insurance scheme is that the premiums are related to the risk and that the sum of the premiums in any given year is enough to pay the claims with a reasonable reserve against future claims. And so my concern is not just with the level of the rates. That is something that has to be accepted. My concern really is with the way in which the rates are set. And here I have a very real quarrel with the government, and it is the same one as the gentleman from LaPoile has touched upon and that is their stubborn, unyielding, blind refusal, which I attribute to the Minister of Consumer Affairs - unfortunately he is not here, but he is as stubborn as a mule and as unyielding as a mule and on this issue he is as bright as the average mule - because he has refused to allow any proper investigation into the situation of the profits. Now that is particularly relevant. I do not think anybody is going after the home insurance, the real property insurers. The concern is with automobiles, because as my friend from LaPoile has pointed out again, you know, we are all required now by law to have automobile insurance, and so we should be. It is a good rule, a very sensible rule. I voted for it. I have advocated it long before the Minister of Justice aroused himself from his lethargy and got the bill drafted and brought into the House. It is a very good principle indeed. But the government have not made the principle effective. The Minister of Transportation's administration of this particular aspect of the Motor Registration division has been ..

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lamentably bad. You know, there are people driving out all over Newfoundland today with no insurance, no insurance at all, and the government are not doing the first thing about it. They are doing nothing about it. It is an offence to do it. If you are caught, you get a fine. They have grappled with the problem of administering it and they have just fudged it and given it up. The Minister of Transportation and Communications has put up some lame excuses. There ought to be and in fact there is a system whereby we can find out exactly who has insurance or not. And if we are going to have a law that you must have insurance, we have got to enforce it. And since we cannot stop every car every day and check, the only way we can do it is through the insurance companies. We should be requiring the insurance companies to notify the registrar or another official as we so wish every time and insurance policy is cancelled, every time. Because what people are doing - it has become open now, and we are told it is noticeable - they are going in and they are buying an insurance policy and paying, say, a month's premium on it. You can buy all sorts of insurances today for a monthly premium. The day when you had to pay an annual premium is gone, and now they will sell it to you by the month. And they are taking their little pink or green or yellow or whatever kind of slip it is they get and they go up to the Registrar of Motor Vehicles, and they pass that in and accordingly they are qualified to get their drivers' licence, and they get it, and then they go and they just do not pay the second month's premium, and the insurance laps and nobody is ever told about it. So you now have a driver rafting around the roads of the Province with no insurance on him. Sure he is in defiance of the law,

MR. ROBERTS: and if he is caught he is in trouble. But little consolation that is to the person he runs into or the person he runs down. Then we are back into the old unsatisfied judgement fund and all of the difficulties in there. The government have to find a better system.

This insurance tax premium increase is going to raise, we are told, another \$2.8 millions. I query that estimate. The government were 10 per cent out in their estimate last year. They overestimated last year significantly. I have the figure here, Mr. Chairman. Last year they told us they would be getting \$5,400,000 from the insurance premiums tax. They actually got under \$5 million. They got \$4,960,000, about \$500,000 less. About 10 per cent less. A significant error. The estimate this year is \$8.57 million which is not the \$2.8 million increase the Minister of Finance has talked about, it is \$2.6 million. I do not know where the extra \$200,000 has come from. If the government are \$850,000 out this year, that is the 10 per cent. But still, it is a couple of million dollars at least and I would like to see part of it devoted to the administration of the insurance scheme. If we are going to have compulsory insurance for cars - and we ought to, we certainly ought to - then let us administer the system and let us make it work properly. If the Minister of Transportation and Communications is not capable of devising a scheme, or presiding over the devising of a scheme to do that, then let us get a new Minister of Transportation and Communications or give it to some other minister to administer. But the present situation is ridiculous. It is insane of the government to allow it and yet they are allowing it because they are doing nothing about it.

MR. ROBERTS: Now, also, I would like to see an investigation of the profits of the people selling automobile insurance here. We had a board set up. Mr. Bert Butt and two or three other stalwarts of the Tory Party, fine men, served on it and did their best. At the end of their first year they submitted a report in which they said, as I recall it - the report was tabled here in the House - they said, We recommend the board go out of existence because it cannot do its job properly; it ought to be done by some other agency of the government.

MR. HICKMAN: The Board of Commissioners of Public Utilities.

MR. ROBERTS: Yes. But the insurance board said - it must be the first time in history other than when the gentleman from Kilbride (Mr. Wells) recommended there be no Minister of Intergovernmental Affairs, this is the first time in history, to my knowledge, that a group that had been set up by a government has recommended its own disbandment. I think for that reason alone, if no other, they ought to be commended and perhaps enshrined in the Institute of Public Administration for this Province.

But, Sir, the problem is a real one. The insurance companies may or may not be making profits. I do not know if they are or not. I know that insurance on houses took a rapid increase this year. The premium on my home went from, I think it was, \$300 to \$540. I called up the gentleman from whom I buy insurance and asked him what had happened and he told me that the rates had just gone up because the companies had been losing money. I said, "That is fine. Do you mind if I shop around?" He said, "Of course not." I called, I suppose, ten or fifteen brokers, described the risk, described the type of insurance I needed and

MR. ROBERTS: I do not think there was ten dollars difference in the quotes that came back. So I stayed with the firm I had been with for a number of years because they give good service, and if their rates are comparable then what is the point in changing? So there is no real competition in it that I can find. Furthermore, there are very real doubts about the profits they are making, so I think we should have an investigation. We do not need a judicial enquiry, we do not need a witch hunt, we do not need an adversary proceeding, but we do need a full and an impartial investigation. I think that is the only way we are going to rest the fears that people have raised. If their fears are justified, as they well may be, then an investigation will bring out the facts and we can act and act promptly.

Other than that, Mr. Chairman, I do not like the tax. I suppose if the government want to force a vote I will vote against it and ask my colleagues to do the same,

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because we do not think they are running the affairs of the Province properly. I think before they come before the House and ask for tax increases they ought to apply a little economy to themselves. I do not know what the economies would amount up to, but I think it is not only important that the government do the right thing, but they appear to do the right thing, and I think the Minister of Finance would be the very first to agree that the government have made no real effort in many little things, you know, things like the Norma and Gladys. It is not a lot of dollars. It is not going to solve the minister's financial problems if the Norma and Gladys were to be put ashore somewhere and beached and either made into a museum or left to rot or sold or something, any more than it is not going to help solve the Province's financial problems if the Gander cabin or the cabin on the - what is the one in Labrador? Adlatok? - the Adlatok River is sold. By the way, if the minister would like to make a modest wager, I am on the side that says they will never be sold. The Premier has very piously announced the government have decided to put them out on tenders, but he perhaps advisedly says, we are not going to sell them unless we get a reasonable price. And I have a modest wager of five cents which says that they will never be sold, and they will continue to be operated and it will take \$40,000 or \$50,000 a year, and that is not a lot of money. It provides a job for the Minister of Health's brother, is it? or brother-in-law? and that is a good thing. That is one less unemployed person in the Province. But, you know, it is the effect it gives, and I feel very strongly about it.

MR. H. COLLINS: He is no relative of mine.

MR. ROBERTS: Is he not? I thought it was the minister's brother or brother-in-law. Who is manager of the Gander Lodge?

MR. H. COLLINS: He is no relation to me.

MR. ROBERTS: Who is the manager of the Gander Lodge?

MR. DOODY: The gentleman who owns the cabins down further.

MR. H. COLLINS: The lady from Glenwood is the manager of the cabin.

MR. ROBERTS: Who is the manager of the Gander - who has been the manager?

MR. H. COLLINS: The lady from Glenwood.

MR. ROBERTS: All along? How long has she been there?

MR. H. COLLINS: For years. What is her name?

MR. ROBERTS: How long has she been there?

MR. DOODY: She has been there -

MR. ROBERTS: I mean, I do not go to the Gander Lodge, I do not know.

MR. DOODY: I was there twice. A nice place.

MR. ROBERTS: Mrs. Quilting?

MR. H. COLLINS: Mrs. Harris.

MR. ROBERTS: Mrs. Harris, a fine lady. A fine lady.

MR. DOODY: That was not her name before she was married.

MR. H. COLLINS: No, she was a Mrs. Gillingham.

MR. ROBERTS: No. Her name will change getting married.

MR. DOODY: Gillingham, that was her name.

MR. ROBERTS: Gillingham is a good Glenwood name, a good Gander Bay name.

But the point is, Mr. Chairman, these things are not terribly significant in dollars. You know, we are not going to balance the budget on the Norma and Gladys or on getting rid of NIS or on getting rid of some of the over-stuffed and over-paid special assistants, like the man out in Botwood who is doing the job the gentleman from Exploits (Dr. Thomey) should be doing. I mean, you know -

DR. THOMEY: Excuse me.

MR. ROBERTS: Go ahead.

DR. THOMEY: I have an office in my own home, a fully equipped office, my wife is my typist. She has worked with the Social Services in her life, and she does some of the work in that area. The man in the office in Botwood has never been asked to do one iota of business or correspondence by myself. I would like that to go on the record.

MR. ROBERTS: I thank the hon. gentleman for making it clear. My question then would be just what does the man in Botwood do? He was offered the job of course in consideration for not seeking the P.C. nomination in Exploits district in the last election, Mr. Denis Billard, Denny Billard I believe his name is. And what does he do? I mean, there is twenty or twenty-five or thirty thousand flung away, and you go around the Province and add these things up, and it is not just the dollars. The dollars in themselves are significant even if they will not solve the Minister of Finance's problems. What is even more galling is that people see these things going on, and they know they are going on and they resent them and so they ought to. Like the cartoon in yesterday's Daily News, very witty, very funny, and it was, but a lot of truth in it, and more and more people around this Province are questioning the style in which the government treat themselves on the taxpayers' money. And that is not true of all of the ministers. And I do not begrudge any minister whatever help he may need to do his job. I think the Minister of Finance is very much aware of it, and I believe he feels the same way as I do about

MR. ROBERTS: this regal style in which our government are treating themselves on the taxpayers' money. The ten or twelve thousand dollar expense accounts for big fancy meals, the autocracy on our money, the helicopters to go from Grand Falls to Gander, a fifty mile drive, an hours run in the car and a helicopter to take a man down! Of all the absurdities! and I could go on and I do not want to get into -

MR. SIMMONS: Or the admission of how bad the Trans-Canada Highway is.

MR. ROBERTS: Well, maybe it is an admission of how bad the highway is. But the point is what about the ordinary man like the one in Grand Falls who wrote me yesterday - and I sent it off to the senior people down in the Department of Welfare - the man who had a heart attack and has been treated in hospital and let out of hospital, but is one of these people condemned to a living death as fit for light work. That is great for a man who made his living in the construction trade! He is forty-five now, he is in domestic difficulties, and he is separated from his wife. He is living in a boarding house, receives \$124 per month from the government, and it costs him \$120.00 per month for his board and he has four dollars a month. He wrote me a six or seven page letter, a very polite letter, signed his name, and he said, "When I see my children on the street - one eight and one eleven - and they ask me for a quarter, I cannot even give it to them." And what he had to say and what he thought about the government as a government! And I think the gentleman from Exploits would feel the same way as I do. Many decent people around the Province - and there are decent people on the other side; they are not all guilty of this - but when they see ministers whizzing around in helicopters, when they see great, elaborate expense accounts for no reason, these are things that really strike home, that really hurts.

The moose license issue - you know, it may be a commentary on political life in this Province but I have heard more critical comment of the Premier and the Minister of Industrial

MR. ROBERTS: Development over the moose license issue than almost anything else. And the people do not even know about the three government helicopters that were up there for two days and three days each. The man who was down in Burgeo staying in the motel, the pilot who went back every night and commuted in and out. \$3,000, \$4,000, \$5,000, \$10,000 flung away on that particular hunting trip so the Premier and the Minister of Industrial Development could slaughter a couple of moose and five or six hundred partridge whose time has come. I do not begrudge a man hunting if he gets his kicks out of going out and killing an animal; many of our people do, I do not although I dearly love a meal of partridge, dearly love a meal of partridge.

But, you know, it is beginning to really irritate people and so it should because we now have a government that treats itself in regal style, flings around this Province and at the same time this same government asks the Province to tighten the belt, to restrain themselves and to pay higher taxes out of small incomes. Well, I think the government should set the example on taxes and set the example on expenditures, and I intend to vote against every tax increase this government brings in until and unless I can be shown that there is some real effort on the government's part, some real effort at self-discipline, of restraint. Get rid of the Norma and Gladys! she does not do any good at all, she is a tribute to the stubbornness of the Minister of Tourism.

MR. NEARY: Get rid of the Churchill Falls jet. Get clear of her!

MR. ROBERTS: Yes, the CFLCo jet. Lord! What of the lawyers in Corner Brook who are taken up to Montreal with their wives for the weekend and a big suite provided in the hotel in Montreal, all of it on the CFLCo. What about the shopping trips? I mean they go on and on and on and is it petty to bring them up? Sure, any individual one may be called petty, but in summary they are not. What conceivable use do CFLCo have for a jet in this day and age? And do not say that CFLCo are

MR. ROBERTS: not the government. We are paying for it, we own two-thirds of it, we borrowed the \$160 million, the Minister of Finance has got to pay that loan off, he will never get enough revenue from Churchill Falls to pay off the loan. The extra revenue we will get from our extra 57.8 per cent shares which we bought will never retire that loan.

MR. NEARY: And now they have a bus service.

MR. ROBERTS: If it were a commercial deal it would never have flown.

MR. NEARY: About sixteen to twenty years.

MR. ROBERTS: No. It will not be paid off between sixteen and twenty years.

The projections have not held true. Forget what we would have got anyway under the lease and the rental, you know, the royalties from horsepower. It is irritating as all

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get-out to people that the Hydro Corporation provides a bus to take its employees from Phillip Place every morning out to wherever they are out in Donovans and back in. Nobody else does that. And the same man, by the way, who drives the bus is the man who every morning goes out and starts the cars over there during the Winter. I have been wondering all along whether they had two men or one man. Hydro down there, I am told, is over-staffed beyond belief with employees. I had a young man come to see me the other day who had worked at Hydro in a senior position, became fed up with it and took another job. He said, "I recommended they abolish my job." And he added, "They did not abolish my job, they have hired three men to replace me.

The Minister of Finance is probably not aware of it, and I am just passing on what I have picked up in one place and another, but I say to him that the Hydro Corporation, the administration of that could be cut in half, in half! You know, the total dollars, Mr. Chairman, do not amount to all that much. You know, maybe they only amount to this \$2.8 million that this tax will yield to us, but it is the effect that it is having on people, people who are being ground down, people who cannot afford to pay their light bill.

One of the most significant things to come out in a long time was a statement made the other day, I believe, by Dave Mercer. We grew up together. He is one of the best public servants that this Province has ever had or will ever have. I have immense respect for David Mercer. He is now down at Hydro as one of their seven or eight or ten vice-presidents, and he certainly, you know - the Province ought to keep a man like David Mercer in its service. But he said somewhere - I think it was David who said it - that Hydro has noted the 90,000 people in this Province who are non-electrically heated electric consumers. Apparently there are 90,000 people who buy electricity but who do not use electric heat. They use it only for lights and television and appliances. But their average bill has declined. Their average consumption,

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I should say, has declined, and Hydro was at a loss to understand that. It affected their plans.

MR. NEARY: It was on a panel at the Board of Trade.

MR. ROBERTS: Was it on a panel? I thank my friend from LaPoile. I had seen it in the paper somewhere or heard it on the radio. Now nobody paid much attention to it.

MR. NEARY: The Minister of Education made a mistake and put an ad in the Atlantic Advocate - remember? - saying we have a Department of Education in Newfoundland.

MR. ROBERTS: Oh yes, yes. Well the minister actually did that to try to convince his deputy and his officials. And the next ad will say we have a Minister of Education.

But quite seriously it is a very significant thing, because what is happening obviously is ordinary people are being ground down. You know, in the House we tend to forget it but we do fairly well. We think we are unpaid, and we are always looking for more money or more perks and I am all for paying M.H.A's, you know, or we are not going to get good people to run for any party. But we are in the top one per cent of income earners in this Province. I do not have the federal green book in front of me, but I will bet that we are the top one or two per cent. Some of us may have come from backgrounds of deprivation, economic deprivation, but nobody in the House today is economically deprived. What do we get? About \$20,000 a year when you add it all in, an ordinary M.H.A?

MR. NEARY: Twenty thousand, five hundred.

MR. ROBERTS: Twenty thousand, five hundred.

MR. DOODY: That would vary - would it not? - from district to district.

MR. NEARY: Oh, yes, that is right.

MR. ROBERTS: Well, it is \$18,000 or \$20,000. And remember a large chunk of that is tax free, that lovely little loophole and, true, we have some expenses that a lot of people do not have. But let us say \$15,000, you know. That is not economic deprivation. I do not

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suppose there is anybody in my district earning \$15,000 except the doctors, and the teachers and maybe one or two civil servants, you know. For the ordinary guy in this Province, \$15,000 is a lot of money, and there are a lot of people - that is \$300 a week, and on a forty hour week that is \$7.50 an hour and how many tradesmen earn \$7.50 an hour?

MR. NEARY: Talk to a plumber.

MR. ROBERTS: Yes, when they get work. The fallacy in looking at the rates paid plumbers and electricians, of course, is that they do not get forty hours work, fifty weeks a year in very many cases unless you are with A. B. Walsh Limited.

MR. DOODY: Some of us get forty hours though.

MR. ROBERTS: A. B. Walsh Limited gets forty hours work fifty weeks a year, but they get a little more than \$7.50 an hour.

MR. DOODY: I am looking forward to a forty hour work week.

MR. NEARY: I have to say that the Minister of Finance is beginning to look the worse for the wear and tear. He is making an old man out of himself.

MR. ROBERTS: The point is a very valid one that until the government gives some concrete evidence - and there are many things that I would like to do as Premier of this Province and whether I get the chance or not is another story - but one of the things I would do is take a swinging axe to all these extraneous things. It would take about five minutes to do it, and then it would be done and out of the way.

MR. NEARY: Gut her out.

MR. ROBERTS: Let us show the people of this Province that the government are serious and all these little irritations -

MR. NEARY: Right.

MR. ROBERTS: - you know, ministers landing in helicopters. Now I use government aircraft and will go on doing it, and I will defend that because I think it is legitimate any time whenever I have used them, but landing in

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helicopters when ordinary people have to walk or drive on the roads, you know, just because it may be a little bit more convenient. And what about the helicopters landing out here? Ministers or civil servants landing out here. These cushy fishing lodges at Adlatok and Gander -

AN HON. MEMBER: Going down to look at yourself?

MR. ROBERTS: You know, there have been pious prating in this House about entertaining distinguished guests. That is balderdash.

MR. NEARY: Flying in to look at your club to see if she is ready yet?

MR. ROBERTS: Yes, there was a case of that.

MR. NEARY: Highways.

MR. ROBERTS: Yes, having an inspection of your private club down -

MR. NEARY: That is just incidental though, you just happened to be there.

MR. ROBERTS: Yes. I mean it just happened. I mean, the fact that the government here will not produce the records, while in Ottawa they will produce them, because Otto Lang has been hounded for daring to produce the records of his flying, at least he had the courage to do it. No minister here has done it. There is not a minister here who will produce the records of where the government aircraft has been or where the helicopter has been or where the Churchill Falls plane has been.

MR. NEARY: That should be a plank in our platform, by the way.

MR. ROBERTS: Our platform.

MR. NEARY: Our platform.

MR. ROBERTS: Is the hon. gentleman telling me something?

MR. DOODY: You mean the polls are in?

MR. ROBERTS: The poll is in.

MR. DOODY: The poll is in. Let us hear the results.

MR. ROBERTS: I suspect the poll is in and the ballots will be in shortly.

MR. NEARY: We should have freedom of information.

MR. ROBERTS: But, Mr. Chairman, I am deadly serious about it, Perhaps I am out of touch with the way a lot of people feel, but I find that more and more people are being as irritated as all get out by this. The government that is increasing taxes and talking restraint, acting like they were Imperial Lords and Masters. I think any member who listens to what people are saying will have picked up - I say the gentleman from Placentia (Mr. Patterson) has picked it up down his way.

MR. PATTERSON: What is that?

MR. ROBERTS: People are complaining about the style in which the government are treating themselves at the public expense, while at the same time saying to the people, Hold on, Bear down on restraint and we will have to ask you for higher taxes. People are objecting to that.

I say to the hon. gentleman that he has had people come up and say, Who does that blankety, blankety, blank, blank think he is going on a hunting trip on government aircraft?

MR. NEARY: That is right because I was down there last weekend and I know that to be a fact.

MR. ROBERTS: I mean the three helicopters were in behind - is it LaPoile Bay where they were, Star Lake?

MR. NEARY: That is right, LaPoile Bay.

MR. ROBERTS: There were three helicopters up there, the government paying for them. Three helicopters! - the government paying \$250 an hour, a minimum of four hours a day guaranteed, \$6,000, \$8,000, \$10,000 is what that moose that was slaughtered unlawfully cost us. Now we got 500 partridge as well. They did not cost more than \$20 each. Even the shells, I am told, were bought down in Burgeo at the Coastal Stores Limited and paid for by government order. That is what I am told. I do not know if it is true. But I am told it. One of the pilots put up at the hotel down at Burgeo and the bill was sent into the government. He was on government business, flying the Premier and

Mr. Roberts:

the Minister of Industrial Development around.

MR. NEARY: They booted out all of the game wardens and everything in the area. They told them they had to leave.

MR. ROBERTS: What about this? My friend from Hermitage (Mr. J. Winsor) has heard of the story of the Long Harbour River - people prohibited from going up the Long Harbour River - a public river ! - prohibited from going up and being told, Oh no, this is closed now. There is a very important person up the river, and we are closing the river. What about the camp that is being maintained down there with civil servants, a public servant down there providing services paid for out of public expense.

AN HON. MEMBER: Long Harbour.

MR. ROBERTS: Long Harbour, Placentia Bay, the beautiful salmon river - not Placentia Bay, Fortune Bay, I am sorry. Not the Erco, Long Harbour. There is no fishing in that Long Harbour.

MR. NEARY: They would all be pink. They are pink, I suppose, salmon anyway.

MR. ROBERTS: But the Long Harbour River, that beautiful river. Dr. Fitzgerald's book, The Albatross there are some marvelous pictures of Long Harbour River. I know the Minister of Finance is as irritated as I am about these things. Here he is trying to negotiate, to argue with the Waterford guys about a few cents or a few dollars and other public servants, at the same time all of this is going on.

MR. NEARY: Is that report in yet, by the way?

MR. ROBERTS: And it is the most galling possible thing, and I say to the government if they ever expect to get any sympathy from the people of this Province, if they ever expect to have any understanding of the financial problems of this Province on the part of the people they have got to show the way. At least we do not get on the airplanes any more and see all of the civil servants riding up in

Mr. Roberts:

Class I, Boy, how that used to gall me! You would get on, and I travelled economy and always have and hope always will, Why not? It gets there just as quick, But you would walk by six or eight deputy ministers, you are sitting up there in Class I on our money, if they want to do it on their own money that is their problem -

MR. NEARY: Memorial University crowd -

MR. ROBERTS: I was going to say I suppose if Memorial were banned travelling, if the government were banned travelling, Air Canada might as well take the first class section out of the aircraft out of this Province.

MR. NEARY: They would have to take a flight off.

MR. ROBERTS: And I would like to see some of the -

AN HON. MEMBER: See first class.

MR. ROBERTS: I am sorry?

AN HON. MEMBER: They all travel first class.

MR. ROBERTS: Not any more they do not, But I have been on aircraft and President Morgan has never travelled first class. I wish the head of the government would be as discreet as the head of the University.

SOME HON. MEMBERS: Oh, oh!

MR. ROBERTS: The minister is not the head of the government; he may be head of the department.

MR. NEARY: The Minister of Education -

MR. ROBERTS: No, I mean I am not saying that all ministers do but these things they are not major. My heavens they are not going to satisfy Moody's and Standard and Poor that we are in great financial shape, but they are important

MR. ROBERTS: to this Province. The government the last few years have become imperial, the sort of thing President Nixon did. He had his palace guard and their fancy costumes. Any day I expect to see it here. The immense increase and the swelling of the staff in the Premier's with far less being produced. Back in the days when Mrs. Templeman and Miss Duff were there, and two or three others, there was far more work being done than the whole immense, swollen group down there now.

They are all fine people. I have nothing against any of them as individuals but it is the biggest make-work project of them all. So I say to the Minister of Finance that he is going to get no sympathy from me. I think I understand his problem. I think he feels much the same way as I do although he is, of course, bound by the greater loyalties of the Cabinet. But I say he is going to get no understanding and no sympathy until he cuts back on these things and until the people of the Province are shown that the government are trying to live decently. Not poormouth! I am not suggesting we go around and offer people coming in to visit us a glass of water and a lovely cracker for their dinner. But until he has shown that the people of the Province - until the people of the Province are shown, I am sorry, that their government are cutting the cloth, that they are making some effort to abstain and to act properly and decently, then there will be no support from this side for tax increases, there will be no support at all in the Province for it. I say that the government are irritating people way beyond anything it ever dreamed of.

The gentleman from Exploits (Dr. Twomey) knows whereof I speak. I will bet he has

MR. ROBERTS: run into it from his constituents, people who are irritated and annoyed and upset. It is not a major thing but it is growing all over the Province. \$2.8 millions is not a lot of money, but it is beaten out of the backs of people who cannot afford to pay it.

We will oppose the tax, Sir. We will oppose it because we do not think it is necessary. We will oppose it because we do not think the government have made a case. Until the government can show this House and this Province they are acting prudently and discreetly they will get no support from any of us, Sir, for tax increases.

PREMIER MOORES: Mr. Chairman.

MR. CHAIRMAN: The hon. the Premier.

PREMIER MOORES: Mr. Chairman, I was just listening downstairs to some of the comments the Leader of the Opposition had to say. It is the sort of mealy-mouthed opposition that really can irritate one. Because when an untruth has been spoken - well, it may or may not be true but it is said anyway - it is the sort of thing that can be most irritating, coming from such a great outdoorsman.

Now, Mr. Chariman, the fact is that on the comments he did make regarding the helicopters, I think he said at Star Lake, it was absolutely untrue that there were three helicopters there for four hours a day and that sort of nonsense.

MR. NEARY: How many were there then?

PREMIER MOORES: It is nonsense! There were no helicopters there when we were there except to take us in, which was by Wildlife. The people who went in paid for the helicopters.

MR. ROBERTS: Give us the receipts for a change.

PREMIER MOORES: I will produce the receipts like I will produce the receipt from the records, that the hon. members of this House, if it is opened, will well know what the result of that will be.

MR. NEARY: Hurrah!

PREMIER MOORES: This sort of accusation that the hon. the Leader of the Opposition makes in this House, Mr. Chairman, the sort of accusation he makes is based on gutless facts. He is trying to do it now for political reasons. He is a man with no conscience, a man with no ability and a man who is going to find it out in October.

AN HON. MEMBER: Right! Hear, hear!

PREMIER MOORES: Now, Mr. Chairman, after he finds it out in October, the fact is that the shells were paid for. In Long Harbour; I was there last year, I will be back there again this year. I enjoy the outdoors as opposed to Hogan's Pond, like the hon. Leader.

MR. ROBERTS: Right! A real outdoorsman.

PREMIER MOORES: The fact is he talks about travelling first class. When he was a minister of the Crown, Mr. Chairman, did he ever travel first-class? Did he ever travel with the hon. the member for Twillingate (Mr. Smallwood) first class?

AN HON. MEMBER: Right!

PREMIER MOORES: Hypocritical argument, hypocritical debate from a man, Mr. Chairman, who should know better and will learn his lesson, because of the negative individual he is, in October.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: Mr. Chairman, the Premier always gets very irritated when the truth comes out. I say very simply to him, Sir -

PREMIER MOORES: On a point of personal privilege, Mr. Chairman. The hon. Leader of the Opposition said, When the truth comes out. He either proves that or withdraws it.

MR. ROBERTS: Mr. Chairman, I have made no charges against the Premier. I have said simply that the Premier gets irritated when the truth comes out. That is not a question of privilege. I have not accused him of any lies or uttering any mistruths. I have simply said, The Premier gets irritated when the truth comes out.

PREMIER MOORES: On the same -

MR. ROBERTS: Mr. Chairman, I am speaking. The Premier can try his best to contain himself. If I have done something Your Honour rules as improper I, of course, will gladly withdraw any statements, but I do not think that I have done anything that was wrong.

PREMIER MOORES: What about the comment that the Premier gets irritated any time the truth comes out, Mr. Chairman? I would say that that is an assumption by the Leader of the Opposition. That is an assumption though not a statement of fact.

MR. ROBERTS: Is there a ruling on it.

MR. DOODY: Oh, I am sorry!

MR. CHAIRMAN(YOUNG): Order, please! I want to rule on the first point of personal privilege there. I would like some advice and also probably hear the tapes. I can adjourn and give my ruling then or probably I could let it go on and rule later.

MR. ROBERTS: Whatever Your Honour rules.

PREMIER MOORES: Whatever Your Honour wishes.

MR. CHAIRMAN (YOUNG): I suggest then that we adjourn and listen to the tapes.

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

On the point of personal privilege raised by the Premier with respect to the point of privilege, I regard the matter as a borderline. The expression objected to was - and I quote - "The Premier always gets very irritated when the truth comes out." The expression on its own might be regarded as a difference of opinion. In the context of what was said before, it might be regarded as an inference of dishonesty. I do, however, regard the language as unparliamentary, and I ask the hon. Leader of the Opposition if he will withdraw.

MR. ROBERTS: Of course, I will, Mr. Chairman. I am not sure I understand why it is unparliamentary, but I do withdraw it, and I certainly intended and imputed no dishonesty. That was not my thought at all. Can I carry on now in the Committee? Or is Your Honour satisfied on this point?

MR. CHAIRMAN: Yes, okay.

MR. ROBERTS: The Premier seems to have left us agin. It is too bad because I was simply going to invite him to table the records of this trip, this hunting trip or any other records he wants to. I mean if he wants to table the records of my travels as minister or the hon. gentleman from Twillingate's travels as Premier, I am all for that. I mean they are public, and they can be made available. I have certainly travelled first-class from time to time, but not latterly, and not during most of my trips as minister. But, you know, table them. I have nothing to hide, or nothing to be ashamed of. But simply let the -

MR. COLLINS: Does the hon. member consider the government plane -

MR. ROBERTS: I am sorry?

MR. COLLINS: Does the hon. member consider the government plane first-class.

MR. ROBERTS: It can be very comfortable, yes. I have travelled on the government aircraft. As a matter of fact, I have asked if the government can give me a lift tomorrow, I have to be in Flowers Cove tomorrow night.

MR. COLLINS: So you do.

MR. ROBERTS: Any travelling I have done, you know, at public expense, is quite public and I am quite delighted to have it made public. And I would assume that ministers opposite feel the same way, and that is why I say that the Premier should simply produce the records. There were, I have been told, three helicopters involved in this sojourn. This was the one, let me refresh Your Honour's memory, where an aircraft landed at Paddys Pond, and it was greeted not only by the people who were there to get its cargo, but it was greeted by the wildlife authorities who seized the cargo and by the CEC who happened to be there to take photographs, and the cargo of the airplane consisted of some moose and what the Director of Wildlife said was 500 partridge. Now I do not know what was on the aircraft. I am merely referring to the press accounts. The next day the Deputy Minister of Tourism, the superior officer or the Director of Wildlife, announced that there had been a recount, as it were, and there were under 200 partridge, and there was a considerable kerfluffle about the moose, and it turned out that allegedly the moose was shot under conditions that were proper within the law of this Province. Well, I do not know about any of that. That is another matter. What does concern me is that government aircraft were used. CNL, the Kingair was at Stephenville on standby for two or three days during the incident. There were two or three helicopters there that were used, the same as when the fishing party was in Adlatok last Summer. And my friend from Eagle River has referred to this on many occasions. The helicopters were in at Adlatok, the fishing camp, taking - how is it?

CAPT. WINSOR: Adlatok.

MR. ROBERTS: Well, I do not know. A-d-l-o-t-a-k, however it is properly pronounced.

The helicopters were in there on duty carrying people around fishing back and forth while there were forest fires in Labrador and then were not able to get to and from the forest fires

MR. ROBERTS: because the helicopters were not available. These are all matters of public record. If the Premier wants to get into little personal insults, I will leave him to play that alone.

He is a great outdoorsman and that is fine. I do not object to his being an outdoorsman, I do object to him doing it on our money. My point is not anything that the Premier does or does not do; my point is quite simple, and I will repeat it, that until the government can show that they are exercising some decent restraint in their expenditures, these lavish, imperial touches, they will get no sympathy from the people of the Province and I can assure the minister they will get no sympathy from us when they come to talk of tax increases. My answer to the Premier is quite simply, Mr. Chairman, let him table the records of this jaunt, this fishing jaunt. It was not a fishing trip, I am sorry, it was a hunting trip. I do not know whether it was at Star Lake or somewhere. I have never been in there hunting and I do not particularly care to go. It is not my thing. But the Premier can and well and good, but let him table the records, let us see what it cost the public treasury, if anything, to finance that particular hunting trip. I would say what was spent under \$5,000 of public money was nothing, and I will bet it was more than that. But the Premier has it in his own hands.

Let us table the CFLCo log, the log of the CFLCo jet, and let us find out about the people who have gone to Montreal for the weekend shopping trips. Let us find out who they are. They have gone as our guests, they are going on the courtesy of the taxpayers of the Province, the people who are paying the extra 10 per cent being levied under this bill. I think these are reasonable requests. They are

MR. ROBERTS: not petty. I do not really care whether the Premier wants to go hunting or not, that is his problem not mine. Was it last Summer he boasted he caught eighty salmon on the Long Harbour River? The talk around the building for weeks was how many salmon has the Premier got? Well, that is fine. If he enjoys that, more power to him, but let him do it on his own money, his own resources not on ours. I think that is not petty, that is not personal, that is a matter of principle. No man, Sir, is above the law in this Province, no man. And no man has the right to use public facilities other than in the proper and legitimate course of public business. And hunting trips, if public facilities are used, are not proper and legitimate and there is no way to defend them. So my answer to the Premier quite simply is, since he does not fear the truth, then let the truth come out and let him table and arrange to make public the documents and then we will see what of it.

We are finding out now, as we look into things. The whole A.B.Walsh thing - the Public Accounts Committee has exposed that whole unsavoury mess there and any number of other things that ought to be exposed. So let us look into these things. Let the truth come out! and Then we will judge and then we will do what has to be done. I am against the tax and I am going to be against all taxes until this government shows some decent restraint in their own expenditures. Let them stop living like Lords, like Lords of the High Atlas on the public chest, Sir. It is not justified, it is not justifiable, it is offensive in every way. I will vote against taxes and go on doing it until the government can show that they deserve to have more money to spend. The way they are spending their money now, Sir, they do not deserve to have anything except

MR. ROBERTS: the Royal Order of the Boot.

MR. CHAIRMAN (YOUNG): The hon. the member for LaPoile.

MR. NEARY: Mr. Chairman, it was rather unfortunate indeed, Sir, that the hon. the Premier blew his cool there a few moments ago. I think it is very unbecoming of the Chief Executive Officer of this Province. I know the Premier is under tremendous pressure these days but I do not think, Sir, that he should lose his cool. It is a very poor example for the other hon. members in the House, especially hon. gentlemen who sit on the government benches. I think the Premier should try to restrain himself even though the hon. gentleman may be under heavy pressure. The responsibility of being Premier of this Province today is not a very insignificant task. As a matter of fact, it is a substantial task, a very heavy responsibility. I do hope, Sir, that the coming events will not cast their shadows before him.

When this sort of thing happened in the House before, Your Honour will remember, somebody got a belt in the gob. There is hardly a session gone by in the last few years that somebody has not come across the House and given somebody else a smack in the chops. I hope we can get through this session, Sir. We are getting near the end of the session now and everybody is uptight, everybody seems to be under pressure.

MR. ROBERTS: It is the late hours we are doing.

MR. NEARY: The late hours, everybody is under pressure. Ministers are under pressure probably more than anybody else because they cannot run their offices. When the House is in session they cannot run their offices properly. They would be more inclined to make mistakes and errors in judgement when the House is open. I am well aware of this, Sir. I suppose I am more

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MR. NEARY: responsible than anybody
else for keeping the pressure

MR. NEARY: on the administration, keep the House open because that is the time that they are inclined to make fools of themselves and make mistakes and make gross errors in judgement. This is generally known, I was a minister myself at one time, I know the pressure that you can be under and I know the pressure the Premier is under with all the scandals that are rocking his administration at the present time. But there is hardly a judge of the Supreme Court or a judge of the District Court or a magistrate who is not involved in Newfoundland today in some kind of an investigation. There is no wonder that the administration of justice in this Province is grinding to a halt. They are all out investigating something or other, the RCMP commercial and fraud squad and the CID, the Newfoundland Constabulary, everybody is tied up in some kind of an investigation simply because, Sir, I would say that the government is running a very sloppy operation, running their business in a very sloppy way, They are very careless. And whether the hon. the Premier likes it or not the hon. the Premier is the skipper of that ship and the hon. gentleman is the man who has to take the raps and we intend to see that he gets what is coming to him. But one thing he should do, Sir, is keep his cool, that is my advice to the hon. gentleman.

I was over the other night at a roast when the hon. gentleman spoke and I thought he was at his best. In connection with the colour television affair he just made a little bit of a joke of it, and I thought he was fairly humourous although I suppose in one sense -

MR. NOLAN: It will not be a joke by the time it is over.

MR. NEARY: No, that is right. It is a serious matter, Sir, but nevertheless the hon. gentleman must not lose his sense of humour because if he does he is sunk.

Now, Mr. Chairman, we have banded this increase in the tax on insurance around practically all morning.

MR. DOODY: I have two or three more things to say yet.

MR. NEARY: Yes, and personally I am not going to vote for one of them. You know, all you have to do is to look at the rental of office space alone, rental of government office space, and you can find, Sir, how the government, if they wanted to by cutting back on renting of office space could save 2.8 million dollars that the minister needs to make up this amount that he is going to get on socking it to the ordinary people on increasing the insurance premium.

Mr. Chairman, I do not know how many locations our government have office space rented here in this city now. I would say thirty or forty.

MR. DOODY: It was tabled.

MR. NEARY: It was tabled, I have it here in front of me, as a matter of fact.

MR. DOODY: It is the same now.

MR. NEARY: Yes, but I have not counted them. But one thing I want to know, I would like to know - and one thing I will say, Sir, one thing I will say about the administration; they treat the just and the unjust alike because they do rent office space from hon. gentleman on this side of the House, which shows that they do not discriminate.

MR. ROBERTS: Are you talking about some space rented in a building my father owns?

MR. NEARY: I am talking about some space that is entered for the public prosecutions office, the Center Building.

MR. ROBERTS: I do not own any of that, my father owns that building personally.

MR. NEARY: Well, I did not intend to refer to that but the hon. -

MR. ROBERTS: Well, what harm? I am not ashamed of it.

MR. NEARY: No, the hon. gentleman brought it up -

MR. ROBERTS: My father is delighted to rent to the government and five dollars is -

MR. NEARY: That is right, I was going to say the rented space per square foot is not too bad. The public prosecutions office, the Center Building, the landlord is the Battery Motel, 1300 square feet, \$5.00 a square foot.

MR. ROBERTS: Delighted to rent it to them, more than delighted.

MR. NEARY: That is right. But the point is, of course, that what I would like to know about this whole matter is why there has to be such a variation in the fee, the price, the rate, the rental rate per square foot, why it is so different? Why does it go from \$3.50 -

MR. SMALLWOOD: Would the member yield a moment? Can he tell us how the number of government employees, direct and indirect, I mean boards and commissions and what have you in the building here compares with the number outside the building? Is it, say, half and half or is it two-thirds in this building and one-third out? Is there really need for more space or is there an unnecessary amount of space being rented?

MR. NEARY: Well, Mr. Chairman, I cannot answer that but I would say there is probably -

MR. ROBERTS: There are 8000 public servants.

MR. NEARY: There are 8000 - but that is scattered all over the Province.

MR. ROBERTS: There are 1500 hundred in the building I would say.

MR. NEARY: There are about 1200 or 1300 hundred here in Confederation Building. Is the hon. gentleman including crown corporations?

MR. SMALLWOOD: Yes, of course.

MR. NEARY: Oh, I would say there would be triple the amount outside the Confederation Building inside St. John's.

MR. ROBERTS: Sure Hydro alone have rented half St. John's.

MR. NEARY: Sure Hydro - you talk about empire building. My God, if you want to save money untold, from my usual reliable

MR. NEARY: source comes word that there is a partition over in Elizabeth Towers that goes up and down every day. When the gentleman comes in in the morning if he does not like the colour of the paint, down comes the partition and up goes another one. Newfoundland Hydro!

MR. DOODY: Can we not get them a venetian blind or something.

MR. NEARY: Well, I wish they would get some kind of a system so that they would not be wasting the taxpayers' money, if they could get some kind of a turntable or something.

MR. NEARY: Look, the employees in the next office have told me that it is scandalous, they could not stomach it any longer. They had to call me and tell me, "For God's sake, will you get the government to put a partition up and leave it there." They are tripping over lumber and plank every other day, changing partitions. And this is the crowd that are going to sock it to the ordinary people and collect another three per cent on their insurance premiums that they can ill afford now. Just in rentals alone, in renting office space alone, stop the empire building, that is all they have to do, stop the empire building, try and consolidate the government offices and stop passing out these little bits and pieces of political patronage to the landlords downtown. Looking over this list I can see all kinds of little bits of patronage in here. I am not going to read it out. The list I believe was tabled. Anybody can have a look at it. All kinds of names camouflaged. And none of it, Mr. Chairman, none of it put on public tender. I do not believe you could find one example in this great list that I have in front of me where any of this rental of government office space was put on public tender.

Mr. Chairman, there should not be one contract, there should not be one thing purchased by this government without calling public tenders. How does the government know that they would not save hundreds of thousands of millions of dollars every year if they put everything on public tender. They have even got the College of Trades and the University into the habit, "Oh, we do not have to call public tender for anything involving capital expenditure of less than \$15,000." All the government agencies are following that policy. I do not know who dreamt it up but whoever dreamt it up certainly should be hauled on the carpet because that is the thing that is after getting the government in trouble down here at the hangar at Torbay. How does the government know it could not save \$3 million or \$4 million or

MR. NEARY: \$5 million by calling public tenders on everything. And not only that, but eliminate the possibility of misuse and abuse of these new vouchers that are being bandied about. How many businessmen do I have come to me and say, "Look, the government is doing a window job on so and so building, the government is doing renovations on so and so building, can you find out how So-and-So got the contract?" And I call up these Crown corporations and government agencies and I say, "How did So-and-So get that job to put the windows in that building?" And they say, "Oh, we called up this company and we called up that company." "Well what about all the other companies," I would say, "that are in this city?" "We felt we had fulfilled our obligation because we called two." But who decides the two they call? Is it their buddies that are in these agencies and in these Crown corporations and in the government departments? Maybe it is not. Maybe there is no skullduggery but it is wide open for abuse, is it not? Who decides what companies will be called and when they will be called?

MR. SMALLWOOD: If the hon. member would permit?

MR. NEARY: Glad to get a breather.

MR. SMALLWOOD: The fact of the matter is, Mr. Chairman, I know from experience in my own time that there were hundreds of thousands of orders placed every year by the Department of Supply for all the departments of government, all the ministers, for amounts ranging up to \$3,000 or \$4,000 or \$5,000 or \$8,000 or \$10,000 or \$12,000 that it would just have been, practically speaking, impossible to call on tender so the practice was to call eight or ten, ten or twelve different firms on the phone and ask for their price. Now I do not know how they decided which firms they would call. I do not know. I frankly do not know. I know this much, that whenever anybody came to me personally and said, "Look, I cannot seem to get any business from the government," "Well, that is because your tenders are too low." "No, I am not asked to tender."

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MR. NEARY: In every such case I phoned down to the Department of Supply and said, "John Jones is here with me and he says he does not get a chance to tender, Make sure his name

Mr. Smallwood:

goes on the list. Now that happened in numerous cases. I do not know how it is done now, I suppose it is roughly about the same now.

MR. NEARY: Well, Mr. Chairman, -

MR. SMALLWOOD: Who is the Minister of Supply?

MR. NEARY: He is not here today.

MR. SMALLWOOD: But is there a Minister of Supply?

MR. NEARY: He is not here today.

MR. SIMMONS: It is called Works and Services, Public Works and Services.

MR. SMALLWOOD: Oh, yes.

MR. NEARY: But therein, Mr. Chairman, lies the problem.

I mean, who decides what companies, what firms are going to be called? Are they going to be just firms that are friends of the administration or friends of the individual who is doing the calling. I say, Sir, that if you are talking about, say, aluminum windows and aluminum doors that every firm selling aluminum windows and aluminum doors in this city should be called every one of them.

MR. SMALLWOOD: Called yes, but not necessarily tenders written out, but on the phone.

MR. NEARY: If they are going to call one or two, call them all.

MR. SMALLWOOD: And then require them to record every reply that he gets.

MR. NEARY: That is right. Record the price. They can either give the price on the phone or send it in in writing. There should be no favouritism, no discrimination. I came across an example this morning before this House opened, not involving a Crown corporation, yes, well a government agency, let me put it that way, well I was questioning the gentleman that was calling the tenders, and I said to him, Why did you just call two firms? "Well, he said, "I do not know." He said, "I suppose that is all we are obligated to call." Well, I said, "What about the other companies?" "What other companies", he said? I said, "Did you look at the yellow pages of the telephone directory

Mr. Neary:

to see how many other companies there were that were doing this same work?" "No, I never thought of that." One of the companies that the gentleman called I had never heard tell of it before. It is an insignificant company, very insignificant. The other companies were well known, province-wide, but he never heard of them, but he called this insignificant company. Why? I would like to know.

MR. SMALLWOOD: Is that the Department of Supply?

MR. NEARY: That was done by a government agency, not a department of government.

MR. SMALLWOOD: The Department of Supply know everybody in Newfoundland that makes or sells anything.

MR. NEARY: Yes, but then when you go to the Department of Supply and Services they say, Well his name is not on the list. His name is not on the list. And nine chances out of ten the business person either called in to have his name put on the list or he did not know his name had to be on the list. I mean I would like to know who decides? Who they are going to call? I am sure the hon. gentleman would like to know that. It is too wide open for abuse and skulduggery. And this government should call tenders, not only this government, but any government should call tenders for everything from a stick of pencil up.

My hon. friend the member for St. John's East (Mr. Marshall), the Godfather of the Public Tendering Act in this Province must be disgusted to see what is going on with regard to public tendering in this Province. And, Mr. Chairman, I claim it could save millions of dollars a year to the taxpayers of this Province and then the Minister of Finance would not be in trying to bulldoze a bill through this House at the last minute to increase the tax on insurance premiums in this Province.

MR. DOODY: What 'last minute' are you talking about?

MR. NEARY: Just about the last minute, Sir. And we have got two or three more tax bills coming up yet. And I am going to vote against everyone of them, not because I am trying to be stubborn or

Mr. Neary:

cantankerous or trying to be obstinate in any way, shape or form, it is on a matter of general principle because I think the government could save that much money. I have heard my hon. friend from Twillingate (Mr. Smallwood) on a number of occasions asked the question, especially one day in connection with the increase in electricity, would all this keep down, he says, the increase in the price of electricity? And the answer was, No.

MR. SMALLWOOD: Will the hon. gentleman allow me on that?

The matter did not come up again in the House, but if it had I would have reported to the House that according to Hydro Newfoundland, is that the title?

MR. NEARY: Newfoundland Hydro.

MR. SMALLWOOD: Newfoundland Hydro - according to them if the office in Montreal were brought here, if the jet were done away with, and what other item, if all that saving were made it would represent a saving in the cost of producing electricity of one sixtieth of a mil per kilowatt hour, a mil is a tenth of a cent, then divide that tenth into sixty and one of those sixtieths is what would have been saved in the cost of producing power by closing up the Montreal office and putting an end to the jet. This is not my figure.

MR. NEARY: No. I understand what the hon. gentleman is saying, but what I am saying is this, that

MR. NEARY: if you take all the examples of extravagance and waste in the estimates that are going on in this Province at the present time it would amount to millions of dollars.

MR. SMALLWOOD: I agree on that.

MR. NEARY: If you just took the waste on the purchase of drugs alone, and my hon. friend should know about that because the hon. gentleman -

MR. SMALLWOOD: The drug companies always used to be fat contributors to party funds, and I assume that they still are.

MR. NEARY: Maybe this is why certain firms and certain individuals and certain businesses get the call and others do not. Maybe they contribute to the party in power. Maybe they own the members. Maybe they own the government. Maybe they own the Opposition. I do not know. That is the system we are working under, but it is one hell of a system I will say that. It is causing all kinds of suspicion of skulduggery and graft and corruption.

MR. SMALLWOOD: Soon we will not be able to afford it, We cannot afford it now.

MR. NEARY: No, that is right, Sir, we cannot afford it now. That is correct. But, Mr. Chairman, the point that I am making is that there would be no need for the minister, Sir, to come into this House today to ask the House to approve a bill to take another strip of hide off the backs of the ordinary people of this Province. The taxpayers, the ordinary taxpayers who are overburdened now with taxes, who cannot cope, who are finding it very, very difficult indeed to keep their heads above water, who are finding it very, very difficult to feed their families and keep a roof over their heads, and educate their children, and keep them

MR. NEARY: in school and keep clothes on their backs, these are the people who are being asked to pay this 3 per cent increase on insurance premiums.

I would say, probably, in a lot of cases, Sir, that a lot of homeowners in this Province have been forced to drop insurance on their homes because they can no longer afford to meet the premiums, to pay the premiums. The mobile homeowners have been forced to drop their insurance. Can the minister tell us, when the minister gets on his feet again, if the amount of fire insurance on private dwellings in this Province in the last year or two is up or down?

MR. DOODY: No, I cannot.

MR. NEARY: Well can the minister find out? It would be an interesting exercise for the hon. gentleman to see if the insurance companies and the government have priced themselves out of the market, that they have put fire insurance, which is not a luxury, which is essential today, that they have put it out of reach of the ordinary people.

Sir, there are all kinds of ways. I could go on and on. I could give the minister a list of economies, ways to save money the length of your arm. But what is the good of it, Mr. Chairman? What is the good of it? The government will not listen. They are so arrogant, Sir. We saw this during the seventy-five hours on the estimates. We could not get information out of the ministers. The Minister of Rural Development would not tell us about his little game of Rural Development roulette that he is playing. He would not give us a list of those who are getting loans and grants from the department.

MR. NEARY: Concealing information.
Placing his department under suspicion.

The Minister of Mines and Energy will not tell us anything about the free bus service. What other ministers?

MR. DOODY: Finance.

MR. NEARY: The Minister of Transportation:
Let me see what he would not give us. The Minister of Finance: Well, we got a few answers to questions this morning. I have not seen them yet. Most of them are routine. But anything controversial, anything that is controversial, Sir, anything that may embarrass the government we have to wait for the Auditor General's Report. The Auditor General is the best researcher this side of the House has and rightly so. The Auditor General is the watchdog of the public treasury. Why if you took the Auditor General's Report for the last two years and went through it, the minister could find ways and means to save the taxpayers of this Province, literally, millions of dollars. And the minister should not shrug it off. It mean, it is starting to sink in. People are beginning to look at the administration as being hypocritical, as asking ordinary people to make sacrifices, tighten their belts when the administration are living high, wide and handsome.

MR. ROBERTS: Lords.

MR. NEARY: Spending money like drunken sailors.

MR. ROBERTS: Our money.

MR. NEARY: Our money. The taxpayers money. Mr. Chairman, it is not good enough. I believe it is time that the government showed a little sincerity in this regard, showed that they are genuinely sincere, that they are just not taking the easy way out, taking the line of least resistance. Every time you need a few

MR. NEARY: dollars, ask the ordinary people for it.

Mr. Chairman, may I move the adjournment of the debate.

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

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report some progress and ask leave to sit again.

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

MR. SPEAKER: It being one o'clock this House stands adjourned until tomorrow Monday June 6, 1977 at 10:00 a.m.