

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
10:00 a.m. - 1:00 p.m.
MONDAY, MAY 2, 1977

The House met at 10:00 A.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

The hon. Minister of Mines and Energy.

MR. A. B. PECKFORD: Mr. Speaker, if I could have the consent of the House now, I would like to propose a number of amendments to the Standing Orders as it relates to the sitting of the House and also as it relates to the calling of various departments for the estimates, Committee of Supply. Discussions have gone on between the members on the opposite side and the House Leader, the Minister of Justice and myself on Friday, and the following amendments have been agreed to so that there can be unanimous consent for these amendments which will last for this session, and then any permanent amendments, of course, will have to wait for another day, but these will stand into effect for the present session.

So I wish to move that the House adopt the following amendments to the Standing Orders of the House of Assembly, said amendments to be enforced provisionally for the remainder of this session of the House. One, Standing Order (2) is repealed and the following substituted, time for the sittings of the House are as follows:

MR. ROBERTS: 'Repealed' is not the word, 'suspended'.

MR. PECKFORD: Suspended. Repealed temporarily.

MR. ROBERTS: You cannot repeal temporarily -

MR. PECKFORD: Fine. I thought so.

MR. ROBERTS: - that is like dying briefly.

MR. PECKFORD: Right. Some of us do it all of the time.

SOME HON. MEMBERS: Oh, oh!

MR. PECKFORD: Monday, 10:00 A.M. to 1:00 P.M., 3:00 P.M. to 6:00 P.M., and 8:00 P.M. to 11:00 P.M. Tuesday the same as Monday. Wednesday, 3:00 P.M. to 6:00 P.M. Thursday the same as Tuesday and Monday; and Friday 10:00 A.M. to 1:00 P.M. If a quorum is not present within fifteen minutes following the opening of a sitting of the House, Mr. Speaker shall adjourn the House until

Mr. Peckford:

the next sitting day, another amendment. The third one, when the House rises on Friday it stands adjourned unless otherwise ordered until the following Monday.

The following added after Standing Order 116, seventy-five hours allocated to Committee of Supply under Standing Order 116 shall be allocated to the estimates of the departments in the following manner: Head (I) Consolidated Fund Services, one hour; Head (II) Legislative, hours allocated one; Head (III) Executive Council, two; Finance Head (IV), two; Labour and Manpower, four; Education, five; Justice, three; Social Services, four; Rehabilitation and Recreation, four; Health, four; Mines and Energy, six; Forestry and Agriculture, four; Tourism, three; Fisheries, six; Industrial Development, four; Rural Development, four; Transportation and Communications, five; Public Works and Services, four; Municipal Affairs and Housing, five; Consumer Affairs and the Environment, two. With the exception of the estimates of the Department of Mines and Energy and the Department of Fisheries, at the conclusion of the time allocated under Standing Order 117 (1) for each department or at an earlier time if no member indicates he wishes to speak, the Chairman of the Committee of Supply shall put all questions necessary to carry the estimates for that department and such questions are not debatable.

Notwithstanding the provision of Standing Order 117 (1), if the estimates of all departments with the exception of those of the Department of Mines and Energy and the Department of Fisheries have been carried by the Committee of Supply prior to the expiration of seventy-five hours, the time then remaining shall be allocated equally to these departments and the provisions of Standing Order 117 (2) shall then apply. And 118, notwithstanding the provisions of Standing Order (49) no member shall speak for more than twenty minutes at a time during Committee of Supply. I understand there is unanimous consent to pass these provisional amendments for this session of the House.

MR. SMALLWOOD: Consolidated Fund Services, how long?

MR. PECKFORD: One.

MR. SMALLWOOD: Finance how long?

MR. NEARY: One hour.

MR. PECKFORD: One.

MR. SMALLWOOD: One hour for the public debt.

MR. PECKFORD: Two. No. I do not know the intent of the hon. member's question. If he is trying to ascertain the amount of time that is being expended on the finance related departments, -

MR. SMALLWOOD: For the two.

MR. PECKFORD: - or agencies. Consolidated Fund Services one, Legislative one, Executive Council two, Finance two.

AN HON. MEMBER: You get two or three cracks at it.

MR. PECKFORD: In addition, Mr. Speaker, for the benefit of hon. members of the House on both sides there are on-going discussions between side and the opposition side as it relates to the placement of the Question Period in the Orders of the Day, and I will be discussing that further today with the Caucus on this side and with the House Leader on the opposite side so that perhaps some agreement for a change on that can accrue.

I move these amendments, Mr. Speaker.

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

MR. E. M. ROBERTS: Mr. Speaker, as the Minister of Mines and Energy has indicated there has been consultation with those of us on this side, and my colleagues and I have agreed to these changes in the Standing Orders on an interim basis, and I would

Mr. Roberts.

thank the minister for having made that clear. These orders will be in effect - and we must be careful that the wording of the motion reflects this, Mr. Speaker - these orders will be in effect, as I understand it, for the balance of this session. And then next year we will have a look to see what we ought to do.

Mr. Speaker, we do not intend to debate them but I would like to comment very briefly on each of them. First of all with respect to the second change, that is allocating the seventy-five hours, we do not accept the principle of the seventy-five hour limit but, you know, that is beside the point, because the government have indicated that they will not change on it. Given that attitude of the government we think that this is an improvement over the previous procedure which in effect saw hundreds of millions of dollars of the estimates go through the Committee under the gag rule without any debate at all. It is certainly not a perfect solution but we think it is an improvement given the frame within which we had to work and so we support it.

The other one, the change in the hours, we have agreed to that on the principle that it is the government's right to set the times when the House ought to meet, and we accept that. We do not do it with any happiness, Sir, not any lack of willingness to work. In fact there are as probably as many of us here on this side as there are on the other side, and let it be noted that I have not called a quorum call, but at one point, Sir, there were not fourteen on the other side. We could have closed the House if we on this side had wanted, because there were not fourteen of the government members who were interested enough to show up - three, six, nine, eleven - there are only thirteen there now, Sir. With Your Honour that would be fourteen. There is barely a quorum here now. Let that be noted, Sir, as well. There are

Mr. Roberts.

more on this side proportionately, probably as many absolutely, as on the other side. But we do feel, Mr. Speaker, that it is very unwise of the government to force the House to sit these hours. Nine hours a day, Sir, is a long day by any standards, but add on to that the fact that before we come to the House there is preparation which ought to be done by any member who wishes to participate properly and meaningfully in the debate. It is too long. It will lead inevitably, I predict, to heated passages in the House, because all members will get tired, and they will get short-tempered. I do not think the public interest will be served. I do not think the House's interest will be served. And so we do agree on the principle the government have the right to set the hours of the House, Sir, but we do not think it is a wise thing, and I would ask the House Leader and would urge him not to - because these hours are in effect it does not mean that the House must sit these hours - and so I would suggest to the Government House Leader, the authorities running the government side, that they not make the House sit these hours. I do not think there is any need for it. The session has dawdled somewhat, but that is because of a lack of business which was brought before us by the government. There has been no desire to spin it out, no attempt to spin it out. What there has been is a lack of business. Even now there is next to nothing on the Order Paper, Sir, other than the financial matters. There is one important bill, the Linerboard Bill which is very much worthy of debate, and the Minister of Finance is anxious to have it debated, and so are we.

So we accept the amendment, Sir, on an interim basis. We do not do it with any feeling on the hours that it is the right thing to do. I would ask the government and urge them -

Mr. Roberts.

I think it would be in everybody's interest if they do not pursue this schedule which I think is folly. I think it is an insanely difficult schedule for a small House - it is the same hours roughly as the House of Commons sits at Ottawa with 260 members to attend the service of the House. Here, Sir, we have forty-nine to attend the service of the House, and it is significant that even now there are only fourteen on the government side, and there are three, six, nine, twelve counting the gentleman from LaPoile, on the Opposition side. There is a quorum.

MR. DOODY: The quorum in Ottawa is twenty.

MR. ROBERTS: The quorum in Ottawa is twenty. I agree. And they at times do not have a quorum. Mr. John Crosbie has been quoted recently as saying, he was up speaking one day and there were only three people in the House, the Speaker, himself, and the gentleman who was going to second his motion. That was correct.

SOME HON. MEMBERS: Oh, oh!

MR. ROBERTS: All my friends have anticipated me, Sir. I was going to say that that is quite correct, but Mr. Crosbie ought to look in the mirror when he seeks the cause of that.

MR. NEARY: That is like Moses coming down from the Mountain and no one to greet him.

MR. ROBERTS: Mr. Crosbie has had that problem for many years, Mr. Speaker.

In any event, Sir, I - you know, I do not want to delay the House. We accept the change in the Standing Orders, but I hope the government will not persist in this. I think it would be folly of them to do it. I think we will all be the losers. I am very glad finally, Sir, that the minister is going to look at this question of the placing of Question Period.

Mr. Roberts.

The suggestion is, as I understand it, that the Question Period be made the first order of business each day. I think that would help greatly, Sir. Some of the ministers I know have plans or have commitments to officials and delegations and that makes it difficult for them to stay in the House, but they all want to be here for the Question Period and that is good. It is in our interested to have the ministers here for the Question Period. So I do not see any reason why we cannot change the order of doing business and have the Question Period, then Statements by Ministers, Petitions and what have you.

I hope that the members of the caucus on the other side will accept that request, Sir. I think it is one which would help both sides of the House, the ministers and the Opposition, and the government backbenchers alike, Sir. Thank you.

MR. SPEAKER: Hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I join with the Leader of the Opposition, Sir, in saying that I have no hesitation in agreeing with the proposed changes put forward by the acting government House leader. Mr. Speaker, I was trying to follow the Leader of the Opposition there very closely and I understand him and according to the air waves this morning the Leader of the Opposition said this is not right, he does not agree with it. Well, Sir, my understanding is that the only way that we can approve -

MR. ROBERTS: Oh, I am accepting that, Sir.

MR. NEARY: - the only way that we can approve of these changes, Sir, is by unanimous consent of the House, and if the hon. Leader of the Opposition does not think they are right and agree with it why does he not just vote against them, just say so.

MR. SMALLWOOD: He is talking about the hours of meeting, not the -

MR. NEARY: That is what I am talking about, the hours of meeting. If we do not like it why do we not just say so - we do not like them and vote against them. I am going to vote for it because all it is doing is asking us to work thirty-three hours a week.

AN HON. MEMBER: Because you like to.

MR. NEARY: Because I think the House should be meeting longer periods. I have said so both inside and outside of the House.

AN HON. MEMBER: Hear, hear!

MR. NEARY: Thirty-three hours a week is certainly - and that is not even, I do not know if that is the same hours that the civil service work or not. The only thing is it is going to be a bit gruelling because it will not give us a chance to do very much homework. Well, if we have not got our homework done now, we will never have it done. And the Opposition caucus

MR. NEARY: have, they have shadows, they have members who are shadowing ministers. So the thing is going to be spread out, the responsibility is not just going to fall on the shoulder of one individual. And I have been reading the comments over the weekend, especially by 'Sticky Wicky', I think it is, in the Telegram. It says we are trying to get the House closed. Well I would just as soon keep the House open the whole year myself, I would move my bed in here if I could.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: And this is not a move on my part, Sir, to close the House, I can assure anybody, anybody inside or outside of the House of that. But, Mr. Speaker, we have to adapt to new rules and regulations in this House if this House is going to mean anything to the people of this Province. And we have to be prepared, Sir, we have to be prepared as elected representatives of the people to stay here till doomsday if necessary to resolve and come to grips with the problems of the people of this Province that are facing our people at this particular time. And if it means, Sir, working three days a week from ten to eleven well so be it, that is it.

MR. ROWE: Doomsday was last Thursday.

MR. NEARY: I had prior consultation with the Government House Leader, the Minister of Justice came to me. I could have recommended changes, I did not know what to do. There is a bit of a dilemma, we want to get the budget debate over, we want to get the estimates passed. I could have recommended changes, I could have said, No, Mr. Leader, try it this way and I believe the Hon Government House Leader would have listened to me the same as I presume he would have listened to the member for Conception Bay South, the Opposition House Leader.

So there has been prior consultation and negotiation, Sir, and there is no point in getting up and being hypocritical about it and saying "Well, you know it is not a good thing, I am against it, but I will vote for it" I am going to vote for it

MR. NEARY: because we - I think we should be working longer hours. But one point I want to make, Mr. Speaker, before I take my seat, and that is, would the Government House Leader tell us now when we are going to get into the detailed analysis of the estimates and when we are going to debate the budget? There are two thing on the go now - we have three things on the go, actually - we have the Throne Speech that has to be wound up, but that can be done, I suppose, before the House adjourns, but there is an urgent matter of debate as far as the Labrador Linerboard Mill is concerned. Are we going to debate that now within the next day or two or are we going to get straight into the estimates? That is all I want to know, Mr. Speaker.

MR. SPEAKER: The hon. minister.

MR. PECKFORD: For the next couple of days - we are starting this morning with the estimates, getting into the estimates per se and the Linerboard debate will be called Wednesday or Thursday of this week. Depending upon, I think, the Minister of Finance has been talking to the Leader of the Opposition this morning, just briefly about it before the House got together. And so we are going to be doing Labrador Linerboard very shortly - this week hopefully, depending upon if all the members are here who want to speak on it, because I guess the members from the West Coast, Port au Port area right now are not here and they would have to be back in the House - you know, to be fair to them. And we will then go back into estimates again and then again hopefully - I will have to check with the government.

MR. NEARY: Will the Linerboard mill come up between the estimates and the Budget debate?

MR. PECKFORD: And the budget debate? Well then the budget debate after the Labrador Linerboard debate will have to be decided on how we are going to break the time between the estimates and the budget debate. And that is down the road next week some time before we decide on that. But for the present week it is the estimates and Linerboard debate.

MR. NEARY: Well, Mr. Speaker, under these circumstances I will vote in favour of the proposed changes, Sir. On an interim basis, of course.

MR. SPEAKER: Hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, I want to say a word or two about these proposed changes and perhaps at the same time I can talk about or respond to what the member for LaPoile was just saying there about having the House open year 'round to do the business of the people and so on. I think that is utter nonsense because I do not think there is any business done for the people here in this House. I think the House is a waste of time for the most part. We hear some excellent speeches made here, excellent speeches but then who hears it,

MR. CALLAN: who hears it? Nine or ten people who sit here in the Assembly and perhaps four or five in the galleries, one of two these may be news media but - and I have heard some excellent speeches here, excellent. I have some suggestions of where they should be aired. But this is not the time or place to say it. But, Mr. Speaker, as far as having this House open year round, as I said I would be much better off, I am sure, out in my district just having a chat to some of those old people who want someone to talk to, you know, rather than here wasting my time listening to nonsense.

MR. SPEAKER: The hon. Minister of Provincial Affairs and Environment.

MR. MURPHY: Mr. Speaker, I do not know if I am out of order at this stage but the Linerboard debate has been brought into the matter as a part of the business. To my knowledge there is no Hansard covering these debates. I was in the House at that time. I wonder will there be some information put forward for the House for guidance or the tapes played in this House to let us know actually what happened with the Linerboard mill and the establishment of the thing.

MR. SMALLWOOD: Which debate are you talking about?

MR. MURPHY: Linerboard mill we are talking about.

MR. SMALLWOOD: No, which -

MR. MURPHY: When the whole matter was introduced.

MR. ROBERTS: Oh, when Crosbie, Hickman and Wells brought it in the House.

MR. MURPHY: No, when Smallwood, Roberts and Neary brought it in.

MR. SPEAKER: Order, please! Order, please! Hon. members know that they are -

MR. ROBERTS: (Inaudible).

MR. SPEAKER: Order, please! - that they are supposed to refer to one another in the appropriate manner and also the comment of hon. members should be, as I understand it, on the resolution that the hon. House Leader is asking leave to introduce and matters related to that but certainly not debate and not extraneous matters.

MR. SPEAKER: The hon. member for Conception Bay South.

MR. NOLAN: I must object to my hon. friend. I can see why he says so, but if we here continue to say publicly that the House of Assembly is a waste of time we either have to bring in some very, very necessary changes, which are needed, or close her up.

MR. ROBERTS: Change the government.

MR. NOLAN: It is as simple as that, and stop carrying on the fraud.

Now the fact is there is a -

AN HON. MEMBER: (Inaudible).

MR. NOLAN: I hate to interrupt the hon. member. But the fact is there is a committee within this House that can meet any time, the chairman, and committee, to bring in rule changes and so on. Are we going to go through another session of this House next year again attempting to debate behind the curtain and all the rest? I mean the fact is the moment this House closes, or before, that committee should meet and any changes that are to come about, and God knows there are changes necessary, they should be worked on right now. There is some validity obviously with what the hon. member says. Many people outside this House feel it is totally irrelevant in here. Often times he is perfectly right.

It is pretty disappointing to me when I get in an elevator, for example, in this building and have the senior civil servants say to me on the way up, "Is the House open?" It is as simple as that. In this building they do not even know it is open.

So it is rather unfortunate to me that this thing has occurred. The fact is on hours in this House if we are really sensible and practical about it at all, there is no reason why this House cannot meet the 15th. of September every year and get to work. It is as simple as that. And then

MR. NOLAN: go on from there. Maybe it would not necessitate -
or be necessary to have the kind of hours we are talking now.

MR. ROBERTS: The Throne Speech before Christmas and the Budget afterwards.

MR. NOLAN: But let us move in the 15th. of September
and go to work.

Also abroad, and this applies to members on both
sides of the House, I am sure they have run into it, there is the
feeling that the only time a member works is when the House is
open, which is absolute nonsense, of course, as every member
knows, every member.

So these hours are not the most appetizing. They
are something we have to live with at the moment. We are certainly
going to the best of my knowledge vote for it. But -

MR. ROBERTS: We do not like it.

MR. NOLAN: We do not particularly like it. But I would
hope that perhaps we can take a little more mature attitude
in the future and if we are going to do something about this
let us do it and let us not get here every year bickering
back and forth about what we should do and what we should not
do. You know, it is a farce.

MR. ROBERTS: Hear! Hear!

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, one more point before we get back to the minister.

MR. CHAIRMAN: A point of order has arisen.

MR. ROBERTS: Mr. Speaker, on a point of order. I am quite willing
to consent to the hon. gentleman making another statement if he
wishes. I have no objection at all, but I think it should be clearly
understood that this is a debate and that the hon. gentleman has no
right to speak a second time in the debate. If he wants to ask leave
I for one would gladly grant it and I know I speak for all my
colleagues, but let us not

MR. ROBERTS: forget that this is a debate, as I understand it. The hon. gentleman from Green Bay, The Minister of Mines and Energy, has moved the motion which a number of us have spoken to and any hon. member may. I would listen with interest to what the gentleman from LaPoile (Mr. Neary) has to say. I do not want anybody to think this is procedure other than a debate, because as I understand it, Sir, it is a debate.

MR. NEARY: To that point of order, Mr. Speaker, I thank the hon. constitutional expert for getting up and preaching to me. But, Sir, perhaps I can resolve the matter by putting a question to the minister by way of a point of information or a point of privilege of the House or some other - I will find some other way to do it. I do not need the hon. gentleman's right to speak in this House, Sir.

MR. SPEAKER: Order, Please!

The specific point of order raised by the Leader of the Opposition was to the effect that the regular rules of debate and procedure apply to the proceeding that is now before the House, with respect to an hon. member may only speak once on the motion and in that he is correct.

MR. NEARY: On a point of information then, Mr. Speaker. I would like to ask somebody on either side of the House to tell me or tell the House whether or not they have consulted with the media on the new hours because these people are going to be subject to tremendous pressure. I think we should consult with them from time to time, if we have not already done so, to make sure that they are able to be - because after all, one of the main reasons for this House, Sir, being open is to get information out to the people. If we

MR. NEARY: cannot get the information out then I believe that should be one reason the leaders on both sides should be prepared to consult with these people to make sure that the information is getting out to the public.

MR. SPEAKER: If the hon. minister speaks now he closes the debate.

The hon. the member for Burgeo - Bay d'Espoir.

MR. SIMMONS: Good morning, 'Haig', good morning. The boys are all wide awake this morning.

Mr. Speaker, just a brief word before we hear from the minister in closing the debate. I want to very much echo the sentiments expressed by the Leader of the Opposition. I want to reassure my good friend from LaPoile that it has nothing to do with hypocrisy at all. I think this proposal as contained in the motion this morning is wacky from the word go. I think it is crazy.

AN HON. MEMBER: Are you going to vote against it?

MR. SIMMONS: I will tell the hon. member in a moment why I am not going to vote against it. I think the proposal is nuts from the word go, crazy, out of the world.

The choice is between that and having the government come in every day at six o'clock telling me what time I am going to sit the next morning. So at least this gives some regularity to it, and that is the simple and only reason -

MR. ROBERTS: You want to spell that our 'Roger'. The government can move a motion -

MR. SIMMONS: Every day at six when the House rises, the government can decide the House is going

MR. SIMMONS: to meet at nine the following morning, for that matter, by a simply majority. The only reason, Mr. Speaker, the only reason I gave my consent in caucus, and I think I speak for a number of my colleagues, is not because we like meeting thrity-three hours a week or nine hours a day, we think it is nuts from the word go, but at least it gives some regularity to the insanity, at least we know beforehand what hours we are going to meet and can therefore plan our schedules around it.

I would like to speak briefly to the other point which the member for LaPoile (Mr. Neary) again attempts to give credibility to, that somehow the only hours we work is when we are here. My God, I come in here to take a spell! This is the very time I do not work, when I am here. This is the easy part of being a member.

AN HON. MEMBER: That is right.

MR. SIMMONS: As we move now from six hours a day to nine hours a day, Mr. Speaker, it is becoming very, very difficult to do the work that I have to do on behalf of my constituents, just to return the phone calls. You have between nine and ten in the morning to do it, basically. That is the time you have left now on three days a week, between nine and ten in the morning, That takes care of it. It is supposed to take care of it. Well it does not.

I can understand my colleague from Bellvue (Mr. Callan) voicing the sentiment, because we here are giving credence to the sentiment that somehow the only time we work is when we sit in the House, and that looks like pretty soft work. And it is compared to the other things that we are doing behind the scenes. I do not know about other members but I - indeed I do.

MR. SIMMONS: I know that other members work very hard at their job and I know that I work fairly consistently at mine, but it is difficult to do it when you have a government majority that is completely unaware, or completely callous about this particular matter. I do not believe they are concerned about their own backbenchers even, let alone the ones over here. It is okay for the ministers. If one executive assistant will not do it they can hire two or three or four just by a Minute-of-Council. It is easy. Only the taxpayer gets socked on that one.

But, Mr. Speaker, there are backbenchers over there and there are a number of us here who are finding it difficult to be our own executive assistants and to otherwise continue to do our own work.

Mr. Simmons.

And I do not know what has got into the government, and I repeat what the Leader of the Opposition said a moment ago, I hope that while we put this in as tentative, as temporary hours of sitting for the remainder of the session, the government will only use those hours when necessary. I believe that is what the Leader was saying. They will not feel that we have got to meet again ten o'clock tomorrow morning just because the new hours of sitting say so. Meet ten o'clock tomorrow morning if there is some business to expedite, but I would hope when the estimates are through and the budget debate is over the government may not see the need to meet nine hours a day, thirty-three hours a week. That is the point the Leader was making, and the point which I endorse very much. We are against the idea, but it is the lesser of two evils. And so we are going to vote for the lesser of two evils. The other evil, far greater, is to have the government every day at six o'clock or eleven o'clock tell me what time I am supposed to be here the next morning. These tentative or temporary hours of sitting at least avoid that particular evil, and for that reason we vote for the lesser evil of having those long, unduly, unjustifiably long hours set down in the rules of the House.

MR. SPEAKER: If the hon. minister speaks now he closes the debate.

The hon. Minister of Mines and Energy.

MR. PECKFORD: To deal with the hon. member for LaPoile's question about the press, I do not know if the press were consulted on it, whether the Government House Leader, the Minister of Justice, did inform the press gallery of what our intentions were or not. I do agree that at least they should be informed of what we intend to do, and then they can take it back to their management to see whether the management is going to be satisfied to pay the additional overtime or money or whatever is necessary to adequately man and cover the proceedings of the House. In any case I do agree

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with it in principle. I do not know if the Government House Leader did it or not.

On the overall points that came up, the hon. member for Burgeo - Bay d'Espoir (Mr. Simmons) in his comments, you know, talked about it being insanity and all the rest of it. We have a fair amount of work to do here before we adjourn for the Summer, a fair amount of very important work. And although the hours are long as it relates to three days especially, they are long for both sides. And, you know, with all due respect to the hon. member and his point that the ministers can hire as many executive assistants as they like by a Minute-in-Council, or Order-in-Council, the fact of the matter is that we are not going to go around every day hiring another executive assistant if we want another phone call answered. We all have one executive assistant, and that is end. And we have a lot of work to do which executive assistants cannot do. You know, that is a lot of foolishness as far as I am concerned. We have to be here for these hours. The hon. member can leave whenever he wants. He does not have to keep a quorum. He says, he cannot answer his phone calls. Well he can walk out of the House whenever he wants to. Talking about us having executive assistants, the hon. member, any hon. member on the other side can walk out whenever he wants to. There have been times in this session and every session when hon. members of the Opposition can stay out in their districts for two or three days in a given week when I cannot as a minister do it, because I have to be here in the House because of the Question Period and other pressing business that I have in my department. So I mean, you know, let us not just say that you have got from nine o'clock to ten o'clock in the morning to answer your phone calls. That is balderdash. You can walk out whenever you like, the hon. member can. So, you know, that is the story on that. The government has the responsibility to keep a quorum in the House. And the other point that he mentions is the

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fact that he would rather have this insanity regularized rather than have the government tell him every day when the House is going to be open the next day. Well who is the hon. member? The government has a responsibility to operate this House. It has the majority of members. And who is the hon. member for Burgeo - Bay d'Espoir (Mr. Simmons) to say that nobody is going to tell him when the House is going to be open tomorrow. You know, that is just so much pontificating that it would make you sick. In any case I move the amendment.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Is the House ready for the question.

Those in favour "aye." Contrary "nay." Carried.

PRESENTING PETITIONS:

MR. SPEAKER: The hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, I beg leave to present a petition on behalf of 237 voters in the district of Bellevue. It is specifically from the three communities of St. Jones Within, Hatchet Cove and Hillview. Mr. Speaker, a week ago, last Monday night, I held a meeting

Mr. Callan: down in one of these three communities. They were wondering what plan of attack to use to try and get something done with the twelve mile stretch of road which leads from the TCH at Hillview to the dead-end at St. Jones Within. So I went down there last Monday when we had a day off, went down through the district, through a dozen or so communities and stayed and had a meeting that night at St. Jones Within.

MR. ROBERTS: St. Jones Within or Without?

MR. CALLAN: Nobody lives in St. Jones Without.

MR. ROBERTS: St. Jones was within.

MR. CALLAN: But that community has probably just as good a chance to get something done with their roads as the people who live within.

Mr. Speaker, the prayer of the petition is as follows:

"We the undersigned residents of the communities of St. Jones Within, Hatchet Cove and Hillview do humbly petition the hon. House of Assembly now in session to further upgrade and pave the twelve miles of road leading through Hillview, Hatchet Cove and St. Jones Within." Mr. Speaker, about two weeks ago I presented a petition here from many of these same people who were protesting the route taken to build an access road from the TCH through Hillview. It was a bit late, as I explained to them later, I took excerpts from Hansard showing them what I had said in presenting the petition and also showing the response made by the Minister of Transportation and Communications, and tried to explain to them that it was a bit late, construction had already started and a large part of the work has been done.

At any rate, Mr. Speaker, these people are asking that their road be upgraded. Mr. Speaker, they talk about paving here and so on; I do not think for a moment they expect that they will get the road paved this year. But the idea is, I think, to draw to the attention of government, and specifically the Department of Transportation and Communications once more, draw government's attention to the fact that they are alive down there, they are people who travel over roads every day, gravel roads and, in particular, Mr. Speaker, during the Winter these roads or sections of this road are

Mr. Callan:

pretty treacherous. Perhaps treacherous is not the right word; perhaps I should say instead that some of the bad hills there makes driving over them almost impossible because I was told last Monday night by several people who said that on their way home from work at the refinery or from somewhere else in the Province they could not get not up over the hills in their cars, and so they had to leave their cars there and walk the rest of the ways home, two, three or four or five miles.

So, Mr. Speaker, if nothing else is done with this particular stretch of road this Summer, if nothing else is done, if the three bad hills on that twelve mile stretch, if these three bad hills are eliminated then at least that will be a step in the right direction.

SOME HON. MEMBERS: Hear, hear!

MR. CALLAN: Mr. Speaker, a few minutes ago when - there is a danger here of entering in the realm of debate - but a few minutes ago we were talking about the waste of time in this House, Mr. Speaker, I hope that this petition does not fall on deaf ears. The Minister of Transportation and Communications is not here this morning. I do know where the gentleman is. However there will be a follow-up to this petition. Hopefully sometime this week or next week a delegation from these communities will meet with the minister and talk in more detail about exactly what they hope to accomplish there.

The minister opposite talked about not being able to get to his district. Mr. Speaker, when you can announce \$1 million worth of road work, you know, without going to your district then there is hardly any need. And this is one of the reasons I say that this House is a waste of time because government members seem -

MR. PECKFORD: I am there every weekend.

MR. CALLAN: - to get whatever they want anyway. So I was thinking particularly of myself.

I notice, Mr. Speaker, that the Minister of Rural Development is still on that side, He has not been kicked out yet, trying to play both ends against the middle.

MR. FLIGHT: That is not true. They did not get the hospital in Grand Falls, did they 'John'?

AN HON. MEMBER: (Inaudible).

MR. CALLAN: As I said I attended a meeting down in that area of the district of Bellevue last week. And I hope, Mr. Speaker, that some money will be spent down there in upgrading the roads because the people down there who travel them daily, trying to get back and forth to work and what have you, need, deserve, better roads than they have.

MR. CALLAN: Mr. Speaker, I ask that this petition be tabled and that it be referred to the department to which it relates. I thoroughly support the petition.

MR. SPEAKER: The hon. member for Burgeo - Bay d'Espoir.

MR. SIMMONS: Mr. Speaker, I have a petition. I was hoping that somebody of the scattered few government ministers over there would rise and support his petition.

MR. MURPHY: Why?

MR. SIMMONS: Why? Because of the need, which the member for St. John's Centre would not understand of course, would not know anything about. One, two, three, four, five, six, seven, eight - seven and a half ministers over there, Mr. Speaker, this morning, seven and a half ministers to answer all the questions we have got to ask. Seven ministers and the member for Grand Falls (Mr. Lundrigan).

MR. PECKFORD: A point of order, Mr. Speaker.

MR. SIMMONS: Half in and half out at the moment.

MR. PECKFORD: A point of order, the hon. member for Burgeo -

MR. SIMMONS: I rose to present a petition.

MR. PECKFORD: - Bay d'Espoir (Mr. Simmons) rose to his feet to present a petition and in his first minute and a half to two minutes of his dissertation has been completely irrelevant. He has not given the prayer of the petition. He has not told us what the petition is about. All he has mentioned is that there are seven and a half or eight ministers here in the House, that nobody has replied to the hon. member for Bellevue's petition and to me those kinds of comments are not relevant under the rules of the House.

MR. SIMMONS: To the point of order, Mr. Speaker.

MR. SPEAKER: The hon. member for Burgeo - Bay d'Espoir.

MR. SIMMONS: I must admit, Mr. Speaker, I was provoked. I had so many questions for the upcoming Question Period, there are only seven ministers here, and the member for Grand Falls is obviously on his way out of the Cabinet, and I was a little concerned but I withdraw my remarks and get on with the petition.

MR. SPEAKER: Order, please! The matter by the hon. member's withdrawal has been resolved. The substance of the point raised by the hon. Government House Leader was a valid one.

The hon. member for Burgeo - Bay d'Espoir.

MR. SIMMONS: Mr. Speaker, I have a petition from eighty-eight residents of the community of St. Josephs, in Bay d'Espoir, in my district, eighty-eight persons, all of whom live in the community of St. Josephs, and I believe all but a very few of whom were present some three or four years ago when the Premier, the then and sometimes Premier, made an announcement - well actually confirmed what the people of that community had felt to be the case, namely that the paving contract which was then ongoing during the Fall of 1973, when by a complete coincidence there was a by-election going on, the Premier confirmed that the road through the community of St. Josephs, a road which is, if you like, at right angles to the main highway system around Bay d'Espoir, a road of less than a mile in length, that road was indeed included in the paving contract. The Premier made that statement quite emphatically just before the famous by-election.

Some time subsequent somebody discovered that the premier's statement was not exactly correct. But it did serve for the moment, Mr. Speaker, it did serve to placate a group of people during a by-election, it did serve once again to allow the Premier to lead some more people down the garden path.

Well, Mr. Speaker, that path continues to be something worse than a garden path in St. Josephs. It is a very rocky, very hazardous and very dusty road. As I say it is just a very short length of road, something of the order of a half mile or so. I wish the Minister of Transportation were here this morning because he would have some first-hand knowledge of this particular section of road.

The petition, as I have indicated, is that the government keep its earlier commitment to pave that segment of road. It would alleviate some real problems there. Yes, I

MR. SIMMONS: have been looking for the actual distance; it is three-quarters of a mile of road from the point of which it intersects with the Bay d'Espoir Road around to the far end of the community, over near the sawmill for those who know the community.

Now the signatures of eighty-eight people would constitute just about every adult person in that particular community. And I would hope that with the paving that is going on down in Green Bay - did somebody say \$1 million worth of paving, is that ever possible?

MR. ROBERTS: (Inaudible)

MR. SIMMONS: Is that right? I see.

MR. SMALLWOOD: That depends on what he will give to help.

MR. SIMMONS: That is all provincial is it? That is all provincial, 'Brian', all provincial, eh?

MR. SMALLWOOD: But federal money.

AN HON. MEMBER: All provincial, Sir?

MR. SIMMONS: Is that right? All provincial? 'Brian' is that all provincial though? It is not all provincial certainly God.

MR. PECKFORD: The former member for Green Bay -

MR. SIMMONS: I would very much, I would very much. All provincial.

MR. FLIGHT: What the member needs now is to go into Grand Falls.

MR. SIMMONS: Mr. Speaker, how many Cabinets do we have on he go now? How many? Ten o'clock in the morning the Minister of Energy makes an announcement which flies completely in the face of what the Minister of Finance says at three o'clock about the need for restraint, and then the next morning the guy from Grand Falls is out crying in his beer about a government that will not listen to him.

SOME HON. MEMBERS: Hear, hear!

MR. SIMMONS: Well, that is to the credit of the government concerned, Mr. Speaker, if they will not listen to that particular minister, I assure you. But this is the petition, Mr. Speaker, I am hoping that perhaps for the purpose of getting this road paved the Minister of Mines and Energy would sponsor a minute of council which would make - I hope he is listening. I am wondering if the member for Green Bay, the Minister of Energy, would sponsor a minute of council which would make St. Josephs part of Green Bay for the purpose of getting a bit of road paved? Three quarters of a mile in \$1 million worth of paving would not be much at all.

MR. PECKFORD: I will consider that seeing -

MR. SIMMONS: That is right, exactly. He has most of the prime properties there already and to add St. Josephs would solve his problem and mine. I am pleased to present the petition on behalf of the eighty-eight persons from St. Josephs and request that it be referred to the appropriate department.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: Hon. Minister of Finance.

MR. DOODY: Mr. Speaker, I would like to table for the information of the House some information relative to Labrador Linerboard Limited. There is an information memorandum which has been prepared which summarizes the mill, its history, the mill operations, description of production flow and marketing, total provincial investment, standard manning and so on, as prepared by the people at the mill and the people in Finance and the consultants who were involved, Sir. There are three copies here.

I would also like to,-

MR. ROBERTS: Do you have some more?

MR. DOODY: There are more available down in the department.

MR. ROBERTS: Could the minister have - you know, we would like more and maybe other members.

MR. DOODY: Yes, there are more available down in the Department of Finance.

MR. SMALLWOOD: How do we get them?

MR. DOODY: I can have them delivered if-

MR. ROBERTS: Let us get at least one for every member, 'Bill!'

MR. DOODY: We also have here the preliminary report of the Advisory Board to Labrador Linerboard Limited, dated April 25, 1977. And I must say that it bears no resemblance Mr. Speaker, to the information in the newspaper this morning.

MR. NEARY: Is that the only report -

MR. DOODY: Yes, this is the only report -

MR. NEARY: Can we have a copy of that one, too?

MR. DOODY: And that is the same thing. I can have these delivered too. I have tabled three of them. The conclusion of the report maybe worth reading for the sake of those people who

MR. DOODY: read that article this morning. It was only a paragraph. "The board can only conclude that under present conditions the company is not a viable linerboard operation and the board cannot recommend continuing operations in their present form. The terms of reference of this board do not include an analysis of the social implications of the adoption of the particular course of action. The board's conclusions are therefore arrived at within perimeters of prudent business decision. The Advisory Board recommends that operations continue until the existing wood and other direct materials have been converted to finished products. During this period the board intends to complete its reports on wood supply and alternative product lines. The board is prepared to work with the provincial government in its dealings with the federal government or any other interested party in completing these reviews." So there are further reports to come in from the Advisory Board and as they come in they will be tabled.

MR. SMALLWOOD: Dealing with wood and things like that.

MR. DOODY: Dealing with wood.

MR. SMALLWOOD: And other possible products.

MR. DOODY: A conversion study and a wood study, that is right.

MR. ROBERTS: Mr. Speaker, I know I cannot ask questions so I will not but maybe I could ask the minister an unquestionable question. How many copies of these documents are there? I gather of one document there are quite a number in Finance, but are there adequate copies of the Advisory Board's report because I am sure that each member on this side would like one and possibly two or three others.

AN HON. MEMBER: Hear, hear!

MR. DOODY: I will answer the unanswerable, Sir. I will see that every member of the House gets a copy.

MR. ROBERTS: And a couple of extra, 'Bill'.

MR. DOODY: And a couple of extra for the hon. Leader of the Opposition.

MR. ROBERTS: I have friends too.

ANSWERS TO QUESTIONS TO WHICH NOTICE HAS BEEN GIVEN.

MR. SPEAKER: Hon. Minister of Finance.

MR. DOODY: I have answers to questions No. 171, 172, 173, and 174. I do not know the order paper they were on but they were all asked by the hon. member for LaPoile and they are all

MR. DOODY.

dealing with the Labrador Linerboard. That is that series of four questions on Lab. Linerboard which the hon. member had asked. And I also have the answers to questions asked on February 24, by Mr. McNeil, the member for Stephenville, a nine part question also dealing with Labrador Linerboard Limited and included with that is a set of the financial reports which he asked for, from March 31st, 1976 .

ORAL QUESTIONS:

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

MR. ROBERTS: Mr. Speaker, Stephenville is obviously - er Linerboard is obviously the subject on which we should ask some questions, but it is difficult in the absence of the Premier and the Minister of Manpower. It seems unfair to throw more questions at the one man who is trying to do something, the Minister of Finance. But in the absence of really everybody else who counts, I will have to ask him; Could the minister tell us to begin with, Sir, how many men will be thrown out of work or put out of work, lose their jobs whatever way you want to put it as a result of the government's decision to close the Linerboard mill? How many at the mill and how many in the ancillary operations, the woods operations and the like?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: The information that I have, Sir, is that there is probably in the nature of about 600 to 620 people, that is including the woodland and the mill operation in total, and that is not contract or wood contractors. That is the mill's -

MR. ROBERTS: How many contractors are there?

MR. DOODY: There are none as of now. We have not been buying contract wood for some time.

MR. ROBERTS: Mr. Speaker -

MR. SPEAKER: A supplementary.

MR. ROBERTS. - a supplementary if I might, please.

MR. DOODY: There are about twelve or so in Goose Bay also still employed. I think there are about fifteen or so.

MR. ROBERTS: So there are additional people in Goose Bay - eh?

Mr. Speaker, can the minister outline to us what the government intend to do in an effort to try to provide alternate employment for those approximately 650 men and women?

MR. SPEAKER: The hon. minister.

MR. DOODY: There is a group of people working together and that is very likely where the Minister of Manpower and Industrial Relations is this morning. The federal people and the provincial people are working together to put a task force, as it were, in place. I think they are headed for Stephenville this afternoon to meet the mill personnel, with the union people and so on, and they will start working from there to try to put into place on job training for people - training programmes - for whom alternate employment is found, those people who want to leave. And hopefully it will be a successful as was the placement of the people when the steel mill closed. Of the 200 and some people involved there, there was something like 180 for whom a task force such as this found alternate employment. In the meantime as we have indicated we have at least four to six months and hopefully beyond that to work out these difficult decisions on behalf of the people at Stephenville.

MR. ROBERTS: A further supplementary.

MR. SPEAKER: A supplementary.

MR. DOODY: I might as well stay up, I guess.

MR. ROBERTS: Well, the only minister who is giving us any information! Has the minister any reason or any information to suspect that his analogy with the steel mill will be a correct one? In other words, has the minister any reason or information to expect that the 600 or 700 people who will directly lose their jobs as a result of the government's position to close the mill, that these people will find work? And if so, will it be within this Province?

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MR. SPEAKER: The hon. minister.

MR. DOODY: The second part of the question is the most difficult to answer, because I do not know how many jobs in the Province will be found for them. And obviously the hope there is that these people can remain in the Province.

I think it is reasonable to expect that the success ratio at the steel mill can pretty well be duplicated in Stephenville. The attitude of the federal government in this particular case has been absolutely splendid. They have come forward with offers of substantial amounts of money for replacement, retraining, moving and so on. Their people are very actively concerned and have been. We have been talking to them, of course, for some time, and this is one of the questions that was raised during the Premier's recent visit

MR. DOODY: to Ottawa. As a matter of fact I think Mr. Cullen was on national television commenting on just that. The indications are that the Task Force will be successful, if indeed you can call the closedown of an operation and the movement of people a success.

MR. SMALLWOOD: With one million unemployed in Canada, what is the chance of those men getting jobs?

MR. DOODY: I cannot give you the ratio.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I would like to -

MR. ROBERTS: It is like the operation failed but the undertaker -

MR. DOODY: Yes, the operation was a success but the patient died.

MR. NEARY: Mr. Speaker, I should like to ask the hon. member, because of the tremendous investment, millions and millions of taxpayers dollars into equipment as so forth in Stephenville, will the minister tell the House what steps if any the government have taken to protect this equipment when the mill does close? How many men presently employed with Labrador Linerboard will be employed on maintenance and security after the mill closes? Or would the minister indicate what is going to happen to all the millions of dollars in equipment presently at Stephenville and what steps will be taken to keep the fire-sale boys away, the scavengers away from getting that equipment at bargain basement prices?

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

MR. DOODY: Well, these are questions that will have to be answered during the next six months. Obviously we had not put into effect any mothballing

MR. DOODY: plans while we were trying to find a way of keeping the mill in operation. During the next six months whatever appropriate steps are necessary will be taken and as to how many people will be involved and so on, I cannot answer that right now but as the information becomes available it will certainly be supplied to the hon. House.

MR. SPEAKER: A supplementary.

MR. DOODY: In anticipation of the question it is something in excess of \$300 million.

MR. LUSH: Mr. Speaker, I wonder if the minister -

MR. SPEAKER: Order, please! I may have been incorrect in my impression. I thought that the hon. the member for LaPoile raised on a supplementary, in which case I was going to recognize the original questioner for his supplementary.

MR. LUSH: I am sorry.

MR. NEARY: Yes, Sir, the supplementary I wanted to ask the minister, Sir, in connection with all the equipment that is stored at Goose Bay, and in Stephenville, will that be disposed of by public tender? Will it be held for the next four to six months to see if a new operator is going to come in and take the mill over? Some of it, I understand, has already been disposed of. What is the position now concerning these many millions of dollars worth of equipment?

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

MR. DOODY: The answer to part of your question - that is not parliamentary - to part of the hon. member's question is contained in some of the answers that I tabled this morning, and it relates to the equipment that has already been disposed of, that section of the questions. The equipment that has already been disposed

MR. DOODY: of is old, obsolete, worn out Javelin days equipment. None of the new operable equipment has been disposed of and it is still being held. It will be held until such time as we are absolutely certain that there is no option or no future or no alternative life for the mill. If it is decided that that unfortunate event occurs, and the equipment has to be disposed of, then it will certainly be disposed of by public tender.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: I will recognize the hon. the member for LaPoile for one additional supplementary, then the hon. the member for Twillingate.

MR. NEARY: Would the minister tell the House what steps have been taken to protect this equipment against theft, pilferage, rust and corrosion?

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

MR. DOODY: I understand that the people at the mill are looking after that end of it. If the member has some doubts that these things are being done, or has some evidence that they are not, I would like him to pass them forward to me so that I can look into them. Obviously from here it is pretty difficult to be able to see what stage of corrosion some of that material might be in. But if there is some indication that some of it is not being properly maintained I would like to hear about it so I can take the appropriate steps.

MR. NEARY: Go down and take a look at it the same as I did, about two weeks ago.

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

MR. SMALLWOOD: A supplementary to the minister, Mr. Speaker. Would the minister tell us if the reports that he has tabled, of which copies are to be given to us, do not, in fact, give a careful breakdown of what the

MR. SMALLWOOD: mill has cost the Treasury to date and the debt position of the government vis-a-vis the mill. That is to say, what was the total amount of original capital investment? How much of that is in the form of bonds for which the government are now responsible? What is the cost of servicing that debt, the original debt? How much additional debt has been incurred? The

Mr. Smallwood: cost of servicing that debt? How much of the operating losses have been capitalized? And is there a debt service on that portion? In other words, a complete financial breakdown, if that is not in the reports that the minister has tabled, will he give the House that information in some other form?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: Mr. Speaker, I think that most of the answers that the hon. gentleman is looking for are contained in the information document. Section (3) here - Section (1) says the cost and so on. Section (3) of the Province's total investment in the company at the time of takeover is so-and-so. The total investment to date is so and so. The principal debt repayment that the company has advanced is fourteen and so on.

I think that most of the question - most of the answers are in here or can be mathematically deduced from the content, and if they are not here I will certainly undertake to have them provided. And if there is some information here that the hon. member needs perhaps he can communicate with me directly and I will get it for him ; you know, it would be quicker perhaps than waiting for the House procedure.

MR. SPEAKER: The hon. member for Terra Nova.

MR. T. LUSH: Mr. Speaker, a question for the Minister of Finance.

With respect to the phase out, I am wondering if the government have worked out a plan with respect to layoffs of the men? For example, will there be a gradual layoff beginning now or will the full quota of men who are there now, be it 600 or 620, be assured of their jobs say for the four month period or the six month period or will there be a gradual layoff beginning now?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: I think it is fair to say that most of the people, by far the majority of the people who are there now, will be encouraged to remain there until the completion schedule of the run through of inventory and so on. There may be a small number of people in woodlands or other areas who might be redundant as of now, but it would be a relatively small portion of the total

Mr. Doody: employment number out there. As I say, it is our hope that most of the people there will remain until the mill is completing its run through of inventory, and if mothballing is necessary then to work on that project as well.

MR. ROWE: A supplementary.

MR. SPEAKER: A supplementary. The hon. member for Trinity-Bay de Verde.

MR. ROWE: Mr. Speaker, I wonder if the Minister of Finance could indicate what the situation is with respect to severance pay for these employees who will be laid off eventually, of course, but who do get jobs after that period? Will they continue to get severance pay?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: There is a severance pay formula that has been worked out, and rather than either confuse the House or confuse myself, or ^{more} more importantly confuse the people in Stephenville, I would undertake to take notice of the question and answer it tomorrow, because it is a little complicated for those who will remain until the completion there is an extra bonus; for people who want to leave tomorrow, if jobs are found, they get so many months pay. We are encouraging people to stay on until the end; we are not penalizing those who find alternate employment. So it is a little bit complicated and I do not want to mislead anybody.

MR. ROWE: A further supplementary.

MR. SPEAKER: A further supplementary. The hon. member for Trinity-Bay de Verde.

MR. ROWE: Would the minister undertake as well, Mr. Speaker, to find out what happens to these people who do indeed get jobs, but say, you know, outside of Newfoundland - or in Newfoundland outside of the Linerboard mill, and their income, we would say, would be a fraction of that which they would receive from the Linerboard mill, would they be supplemented, in other words, through severance pay to bring them up to the amount that they would normally make at the Linerboard mill? Could the minister undertake to get that as well?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: That would be a part of the termination plan.

Obviously I do not think the Province would be in a position to get involved in a situation like that, if I understand the question correctly. But nevertheless I will undertake to answer it in more detail when I am bringing in the termination policy plan for the member.

MR. NEARY: A supplementary.

MR. SPEAKER: A supplementary, then I will recognize the hon. member for Fortune-Hermitage (Mr. J. Winsor) and the hon. member for Conception Bay South (Mr. Nolan).

MR. NEARY: Mr. Speaker, I would like to ask the minister if he could tell the House just what the position is now regarding the fulfillment of contracts. How many contracts does the Linerboard mill have at the present time? Will they be able to fill their contracts before the six month period expires? Do they have any new contracts coming in? If so, how will they deal with these? The people seem to be confused now because shipping is still going on. They are still looking for markets, I presume. What is the position now concerning this situation?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: Dealing with the orders that we have will not be any problem, Mr. Speaker, and as for the contracts that we have, once again that will not be a problem. Our problem has been getting orders and getting contracts. The goods that are being shipped now and have been shipped during the past year, you know, have been at a tremendous net loss. Total cost per ton of finished product projected for 1977 is \$424 and our mill nets are projected at \$200. So at \$220 a ton loss, you know, the contract thing, we can handle that very nicely. Trying to find sales at a reasonable price has been the big problem with the mill.

MR. NEARY: Have the marketing people been recalled now or what?

MR. DOODY: The marketing people have still got to sell the inventory that is going to be put through during the next four to six months. There are some orders there for some of it, others will have to be found.

MR. NEARY: Are there any penalties in getting out of the marketing?

MR. DOODY: No penalties in getting out of the marketing. We are going to have some problems with shipping.

MR. SPEAKER: The hon. member for Hermitage.

MR. J. WINSOR: Mr. Speaker, my question is for the Minister of Fisheries. Would the minister tell us what is the current situation with regard to negotiations on lobster prices? Is there a stalemate between the government and the Mainland companies? Does the minister observe an extensive change in the Mainland companies attitude?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, replies have been received from at least three of the four companies that I wired last week concerning prices. In the telegrams they have endeavoured to justify the prices that they are paying the fishermen. That information has now been submitted to the Fishing Industry Advisory Board whose job it is to assess all the conditions, prices and so on, and to report back to me as soon as possible.

MR. SPEAKER: A supplementary, the hon. member for Fortune-Hermitage.

MR. J. WINSOR: Does this indicate that the minister contemplates buying lobsters with a view to storing?

MR. W. CARTER: No, Mr. Speaker.

MR. SPEAKER: The hon. member for Conception Bay South.

MR. NOLAN: Mr. Speaker, a question for the Minister of Consumer Affairs. I am wondering if the minister is familiar with the statement made on CBC radio, I believe this morning, by the Deputy Mayor of St. John's, concerning Affiliated Metals, one, that they were out of business; two, that \$100,000 is collected from the people of St. John's on licences and so on to clear things away, and based on their calculations in the last year or two for the cars collected it has cost \$400 for each one collected. Now with the Summer coming on I am wondering if the minister is in a position to give us an update on the position of that company and what we can expect in the way of cars being collected and so on by the company involved and in fact what about the statements of the Deputy Mayor of St. John's?

MR. SPEAKER: The hon. Minister of Consumer Affairs and Environment.

MR. MURPHY: Mr. Speaker, I did not hear the actual statement. I was contacted by one of the media for a statement on it and I informed them that there was no need for the Deputy Mayor to go to CBC or anybody else, he could have come to me and gotten the information that he desired.

MR. MURPHY: Affiliated Metals have not gone out of business, As I said in the House earlier, they had suspended operations during the tough months of the Winter where the cars were frozen in and they would try to remove them and all they would get was a part of the hood or a part of the door, which was an absolute waste of money. And negotiations are now underway with two or three companies to ship some of these cars out. As far as giving St. John's money to pay for the collection - I really do not know. There has been a contract made with this company by government. I presume if we gave it to St. John's we would have to give it to every other municipality and find out how many cars are registered in Conception Bay South, or Torbay. Or give these people the \$1. But we are doing the best of what we can with what we have and things are looking a bit brighter as far as moving them.

My big concern actually is with the council in the district in which the hon. member asked a question is represented, and that is Paradise because of this terrible eyesore in there where these cars are piled up like the CN tower but not half as decorative, and we have guaranteed these people that before we put any more cars in there we will certainly try to move some out, and as I said earlier, that is in the process of being arranged now in the next couple of weeks with shipment.

The whole question of course has been a very bothersome one and I asked my officials in Environment the other day to bring out the legislation, and unless some one takes action somewhere along the way you are liable to wake up some morning and find some guy dumping one of these wrecks in your hall. There is

Mr. Murphy: legislation on the books that it is against the law to litter, and if the municipalities want to carry out that law they should do it because it is within their jurisdiction to do so. And I drove along St. Phillips way yesterday, and I notice there is another bunch of cars all on the back line down there, up Topsail Pond Road, where I was, there is another bunch there, and people are just - and certainly heavens, Mr. Speaker, some one sees people depositing motor cars, It is not like throwing a cigarette package on the ground or something like that, but somebody must know who owns these, and until we can get the necessary information -

AN HON. MEMBER: They are all registered downstairs.

MR. MURPHY: No. We went through that, I remember, a few years ago, and in many cases the registered numbers are filed off on the block, you know. And we have gone with an old licence number on some of them, and have gone up to two or three. But as I say, it is a very serious problem. I agree with the city of St. John's, as I do with the city of Corner Brook and Deer Lake and every other municipality in the place, but they have the legislation to prevent littering and all I can say in this hon. House now, Sir, to all of the members, get after their councils to get someone before court and we will give them the full extent of the law and punish them for littering and pollution along the highways and everywhere else.

MR. NOLAN: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. NOLAN: Also in the statement that the Deputy Mayor made this morning, he made reference to the fact that he has been attempting to get cars from St. John's dumped out in the Octagon Pond area, and they were not prepared apparently to use Robin Hood Bay. I am wondering if the minister would be kind enough to inform the Deputy Mayor of St. John's that Paradise and so on is not a dumping area for the city of St. John's. And if he wants a delegation or a petition in this House against them that can be arranged. Surely the minister

Mr. Nolan: will take a position, a strong position on this so that the outskirts of St. John's will not merely be a dumping area for anything they want to throw out our way. Surely the minister will do that.

MR. SPEAKER: The hon. Minister of Consumer Affairs and the Environment.

MR. MURPHY: I certainly will, Sir. And I have already made the statement that every municipality has an authorized waste disposal site, and why should anybody in St. John's or any other area bring cars in and put them in some other municipality. Now this was all a part of the original arrangement under the contract and we are trying everything in our power as soon as we get something moving to protect, as I said earlier, the municipality of Paradise and to get these cars out of there altogether. And I hope, Mr. Speaker, that within the next few months we will be able to do that.

MR. SPEAKER: The hon. member for Windsor-Buchans.

AN HCN. MEMBER: Mr. Speaker, -

MR. SPEAKER: I had already recognized the hon. gentleman, but this will not preclude the hon. member for LaPoile (Mr. Neary) from getting back to the subject at a later recognition.

MR. FLIGHT: Thank you, Mr. Speaker. My question is to the Minister of Finance with regards to the Linerboard. Most of the printed reports we read this morning, Mr. Speaker, indicates that the decision to close the Linerboard was not based on any advice or recommendation from the Advisory Committee set up. Now last year, or when the Advisory Committee was set up, it was clearly understood in this Province that the future of the Linerboard will lay with the recommendations made by that Advisory Committee. Would the minister confirm that the decision to close was made without the benefit of the recommendations or without the benefit of the Advisory Board's report, but was based on internal reports?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: No, Mr. Speaker, I read excerpts from the preliminary report of the Advisory Board earlier this morning in the hon. House, and the conclusion on page 8 says, and I quote, "The Board can only conclude that under present conditions the company is not a viable linerboard operation, and the board cannot recommend continuing operations in their present form. The terms of reference of this board do not include an analysis of the social implications of the adoption of a particular course of action. The Board's conclusion where therefore arrived at within parameters of prudent business decisions. The Advisory Board recommends that operations continue until the existing wood and other direct materials have been converted to finished product. During this period the Board intends to complete its reports on wood supply and alternative product lines. The Board is prepared to work with the Provincial Government in its dealings with the Federal Government or any other interested parties in completing these reports. The Advisory Board, Labrador Linerboard Limited, April 25, 1977. "

So the report from the Linerboard - the Advisory Committee clearly suggests to government, or recommends to government that the concluding of the operations in their present form as a Linerboard mill. It says that it cannot - "The Board can only conclude that under present conditions the company is not a viable linerboard operation and the Board cannot recommend continuing operations in their present form. That -

MR. SMALLWOOD: It is in parameters of strict business lines.

MR. DOODY: That is right.

MR. SMALLWOOD: And they say they exempt social considerations.

MR. DOODY: That is right.

MR. SMALLWOOD: I think that is all they could do.

MR. DOODY: That is right.

MR. FLIGHT: A supplementary.

MR. SPEAKER: A supplementary.

MR. FLIGHT: I just want to pursue this a little further.

The report the minister is quoting from there is the report of the Advisory Board. Then the minister is denying this -

SOME HON. MEMBERS: He said it earlier.

MR. FLIGHT: - the statements made by The Daily News.

MR. SPEAKER: The hon. minister.

MR. DOODY: Yes, that is why I went to the unusual length of quoting from that paragraph from the document, because it is in complete contradiction to what is in The Daily News this morning. I can only suggest that some of the material that is in The Daily News may have been from one of the sub-committees' reports to the Linerboard, perhaps one dealing with the capital cost of replacing equipment or some such thing as that. And, you know, as for that itself it is certainly not included in the preliminary report. The Advisory Committee did not see fit - if indeed these comments are accurate - the Advisory Committee did not see fit to include it in their report to government.

MR. SPEAKER: The hon. member for LaPoile followed by the hon. member for Burgeo - Bay d'Espoir.

MR. NEARY: Mr. Speaker, my question is for the Minister of Municipal Affairs and Housing, Sir. Would the minister tell the House what steps his department have taken to protect the public treasury resulting from the effective pull out of Metro Engineering from the construction of a water and sewer project at Pouch Cove and Torbay?

MR. SPEAKER: The hon. minister.

MR. DINN: We have done nothing to date, Mr. Speaker. We have indicated to the town that they should pay off any bills they have owing, and we are talking to them now, and we have a letter from that I have not answered. I will be answering it today.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. NEARY: Mr. Speaker, would the minister tell the House then what the legal position of the two municipalities are as far as getting these projects completed? Can they now call on the bondholders. now that the engineering company pulled out, Metro has pulled out, can they call on the bondholders to finish the work in Torbay and Pouch Cove?

MR. SPEAKER: The hon. minister.

MR. DINN: Yes, Mr. Speaker, I see no reason why they cannot and indeed I believe they have called on the bonding company. And in both cases I do not believe the bonding company has recognized their call. They called the bond but nothing has happened. The contractor met him off the job in Pouch Cove on October 14 and in that case nothing has materialized up to this point.

MR. NEARY: A supplementary.

MR. SPEAKER: One additional supplementary and then the hon. gentleman for Burgeo - Bay d'Espoir.

MR. NEARY: Mr. Speaker, would the minister indicate if there have been meetings between the two town councils involved, and/or the town councils and Metro Engineering and the bondholders? And would the minister also in answering the question indicate whether or not his department or the government will bar future contracts to outfits like Metro Engineering who started the work and then leave the town councils high and dry?

MR. SPEAKER: The hon. minister.

MR. DINN: Mr. Speaker, since the dispute between the contractor and the towns has not been resolved, I do not know who is at fault here or indeed if anyone is at fault, or whether it is just a difference of opinion between the town or the contractor and the consultant or what have you. So until it is resolved I obviously cannot comment on that. And as to whether the town councils have held meetings, I have no knowledge that they have. Oh, certainly

MR. DINN:

the town of Pouch Cove has and the town of Torbay has had meetings with officials in the department .

MR. NEARY: What about the barring the future contracts?

MR. DINN: Well certainly if we run under the public tendering system and if the low tender comes in and that contractor is recommended by a consultant that he can perform the job, then we have no option but to accept the low tender.

MR. NEARY: Must not they be made prove that they can perform and do the job?

MR. DINN: Most certainly they do -

MR. NEARY: But in this case?

MR. DINN: - and the consultant makes recommendations to the department. And in this case, in both cases the contractor was recommended.

MR. SPEAKER: The hon. member for Burgeo - Bay d'Espoir.

MR. SIMMON: Mr. Speaker, a question for the Minister of Finance. I refer to his budget of last Thursday, a document we shall not soon forget. I wonder would the minister indicate whether, as I understand, is normally the practice, whether in the case of this budget, his colleagues in Cabinet were consulted about the final budget that was presented on Thursday? Was it his own document or was it a document that had the endorsement of his colleagues in Cabinet?

MR. SPEAKER: Order please! I think I should point out that that question is very close to, or in fact would be requiring an opinion of discussion or agreement or proceedings which take place in the Executive Council.

MR. PECKFORD: Mr. Speaker, I did not intend it to be that, Mr. Speaker, I asked -

MR. SPEAKER: I recognize the hon. gentleman. Order please! I recognize the hon. gentleman to ask another question.

MR. PECKFORD: I was wondering if the minister would indicate whether the document was his own personally or was it a document endorsed by Cabinet?

SOME HON. MEMBERS: (Inaudible)

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MR. SIMMONS: A supplementary.

MR. SPEAKER: The thirty minutes are up.

MR. SIMMONS: It passes so quickly.

MR. SPEAKER: Before calling order 2, I feel that I should point out to hon. members an irregularity in our proceedings earlier, and I think of important enough consequence in terms of a precedent or if it appeared to be acquiesced in that it should be pointed out to the House now. Again I repeat the reason I do so is not to be overly technical but if one with knowledge acquiescences in an irregularity then one opens the whole question of to what extent rules have been changed or procedures have been changed. The House of Assembly Act which gives statutory requirements for certain matters pertaining to the House of Assembly points out, Section 5, and I will only read the relevant part. "The House may establish rules for its government and the attendance of its members and the conduct of its business and for limiting the length of time that members may speak and it may alter, amend and repeal the same provided that no such rules shall be altered amended or repealed except by a vote of two thirds of the members

MR. SPEAKER: of such House." And that obviously means two-thirds not of the members present but two thirds of the members, the elected members of the House of Assembly. And because of the importance of that and the fact that this is a statute under which the House of Assembly operates and will continue to operate unless and until it is amended, then obviously it must be drawn to the attention of the legislature. What may of course be done is that by unanimous consent the resolution proposed this morning, the provisions therein adopted by unanimous consent for a period of time-and that has the force of unanimous consent; it does not have the nature or the force of a sessional order, an amendment to the standing orders operative for the remainder of this session. What the House voted on this morning purported to be, and on the face of it was, a sessional order, an amendment to the Standing Orders for this session.

Because thirty-four members were not present, and all voting affirmatively, could not have fulfilled the requirement of the statutes. I cannot regard it nor can the minutes record it as a sessional order. This does not mean that its provisions may not be operative by unanimous consent. And when I notice that there are - and when I am in the Chair, that there are a total of at least thirty-four members in their place, then it would appear to me that that would be a convenient time to put the resolution again.

MR. PECKFORD: Mr. Speaker, let me say that we will not have the unanimous consent aspect of it until such time as the two-thirds are present in the hon House in order to make it a sessional order, is that the position?

MR. SPEAKER: And is it my understanding that the provisions will operate by unanimous consent?

MR. NEARY: Over what time period, Sir, are we allowing here?

MR. NEARY: Say twenty-four hours, forty-eight hours? We need thirty-four members I understand to make this -

MR. SPEAKER: Thirty-four affirmative votes.

MR. NEARY: But we may never get thirty-four affirmative votes, Mr. Speaker. So, Mr. Speaker, you know this is a very important point and I am glad Your Honour has raised it. I am sure our constitutional expert has brought it to Your Honour's attention. Under these circumstances I am not prepared to give my consent until there are thirty-four members in the House.

MR. SPEAKER: Therefore we will

MR. PECKFORD: call whatever, if we cannot have agreement on that then the whole -

MR. SMALLWOOD: Can we wait a few hours?

MR. PECKFORD: Well this is what I would suggest, that the hon. member for LaPoile (Mr. Neary) agree to the unanimous consent now and hopefully -

MR. NEARY: But will it be done today, if you get thirty-four members today?

MR. PECKFORD: Well, we will strenuously attempt to have it done today.

MR. NEARY: Well I am satisfied to give the Government House Leader until six o'clock this evening, Sir, to get his members in.

MR. SMALLWOOD: That is very good.

MR. SIMMONS: Mr. Speaker, there is no real problem here insofar as the first part of the motion is concerned, the hours of sitting because we by vote on Friday, we agreed to meet at ten this morning, so we are meeting quite legally this morning. The only question relates to the apportionment of time among the various estimates, and I understand from the minister you are going to have thirty-four members later today insofar as he -

MR. PECKFORD: We will get a move on to try to make sure that that happens.

MR. SIMMONS: There is no bind. There is no bind.

MR. ROBERTS: We will meet until six o'clock tonight then.

MR. SIMMONS: There is no bind.

MR. SPEAKER: Order, please! It is my understanding and I will repeat it so that there will not be a misunderstanding on this matter, that unanimous consent has been given for the operation of the provisions in the resolution up to and including six o'clock this evening. Correct? Is that agreed? Agreed.

ORDERS OF THE DAY:

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

MR. CHAIRMAN: Head I, Subhead 101, Consolidated Fund Services.

MR. ROBERTS: Mr. Chairman, this is an unusual head. It is a vast amount of money, \$118 million, but relatively little of it has to be voted, as I recall it, Sir, Much of this is statutory.

MR. DOODY: It is all statutory.

MR. ROBERTS: Well if it is all statutory, what are we doing voting it. If it is not statutory - there is some of it I believe that is not statutory, Sir.

MR. DOODY: Even the expenses are statutory now, The debt management expenses, Sir, have been included in the loan bill and charged to the loan.

MR. ROBERTS: If it is all statutory then there is literally nothing to be voted.

MR. DOODY: The only reason that it is being debated at all is because some people on the Opposition side of the House wanted to discuss the debt of the Province and so on, but that can be done under Finance.

MR. ROBERTS: We will at least discuss for the hour we are allowed, for the hour that has been agreed, the debt management policy of the Province. I think that is what we want to talk about. We are not really the least bit concerned with the numbers. I mean, these are statutory obligations. We have to stand by our credit. I mean even if we are going bankrupt the last thing to go will be the debt repayments. But then let it be the debt management. That is agreed is it, Mr. Chairman, that we will take the hour to talk about - We do not need to call the subheads because there are no subheads to be called.

MR. DOODY: That is right.

MR. ROBERTS: But we will take the hour to talk about the management of the public debt or the debt of this Province.

MR. DOODY: That is why I just called Head I.

MR. CHAIRMAN: Order, please! Is that by consent?

MR. DOODY: That is okay.

MR. CHAIRMAN: The hon. member for Twillingate.

MR. SMALLWOOD: Mr. Chairman, that having been agreed I would like to speak quite briefly about the public debt of this Province.

The population of Nova Scotia when added to that of Prince Edward Island and that of New Brunswick is over 1.5 million souls, nearly 1,600,000. The population of this Province is about half of one million, slightly more than that. But if you say 1.5 million for the three Maritime Province and half of one million for Newfoundland you have an accurate comparison. And, Sir, the appalling fact is that if you take the public debt of

MR. SMALLWOOD: one of the three Maritime Provinces, their public debt, direct and indirect, that is to say their direct funded debt on which they have to pay interest and provide sinking fund, and the indirect debt, the servicing of which has to be done by others but guaranteed by the government of the Province, when the public debts of those three provinces are combined and compared with the public debt of Newfoundland, the astonishing and the appalling fact emerges that this Province owes hundreds of millions of dollars more than do those three provinces.

The three Maritimes have a population, as I say, of 1.5 million. Newfoundland has a population of half of one million. But Newfoundland's public debt today - well perhaps not today, but when this year's proposed borrowing programme is completed of approximately \$200 million of which, I believe, \$50 millions has already been raised by the sale of bonds in Alberta - when that programme is completed, to borrow, to add \$200 millions to our public debt this year, this financial year, then our debt will be some hundreds of millions of dollars more than the combined debts of the three Maritime Provinces. Our debt at the end of the current financial year will be \$2200 million or perhaps \$2300 million.

MR. ROBERTS: No, the hon. gentleman is wrong.

MR. SMALLWOOD: It is even more.

MR. ROBERTS: It is \$2.5 billion.

MR. SMALLWOOD: I am being deliberately conservative here, with a small "c". The Leader of the Opposition gives me figures running it to \$2.5 billion, \$2,500,000,000 to round it off, out of 494 rounded out, \$2,500,000,000 is the debt of this Province at the debt of this Province at the end of the current

MR. SMALLWOOD: financial year. We will end at the end of March next with a debt of \$2.3 billion, \$2.4 billion, \$2.5 billion, some figure in there. Not less than \$2.3 billion and \$2.5 billion, which will be hundreds of millions of dollars more than the grand total combined public debt of the three Maritime Provinces and they have three times as many people to bear their burden of debt as we have. Three times. They are 1.5 million, we are half of one million.

Now I believe, I verily believe that we have in this Province natural wealth given to us by the Almighty, by the Creator, greater than the combined natural wealth of those three Maritime Provinces. Thanks be to God we have Labrador and Labrador has one of the mightiest hydro electric developments on the earth. And furthermore, a lot is there yet to be developed. I am talking only at the moment of what is developed, the Upper Churchill. There is still the Lower Churchill and there is still other watersheds in Labrador, some minor ones here on the Island of Newfoundland. There are considerable resources of timber, forest wealth, considerable

Mr. Smallwood.

resource of mineral wealth in Labrador and in Newfoundland, and lying off the coast of Labrador we have what may well turn out to be - I believe will turn out to be - one of the world's great deposits of oil and natural gas. So we have these resources. We are not turning them into cash. We cannot turn all of them into cash. That being so, as it will be years from now, eight, ten, twenty years from now before we can and will turn those particular resources into cash, by which time our debt might be vastly greater than it is now, because of that fact it is not sensible, not practical, it is not down to earth to talk about our vast resources compared with the resources of the three Maritime Provinces. The argument might be put, Oh, yes, we have only a half a million people; we have a total debt of hundreds of millions more than the combined debts of those three provinces, but look at our resources; look at the natural wealth we have. Now that is a good argument ten, twenty years from now. But today when you are not developing those resources - the Minister of Fisheries in a magnificent supplement to The Daily News today talks of the next thousand days. I do not know if he is going to be the Minister of Fisheries for the next thousand days or what ministry he may have, whether it will be one of the minor or one of the major ministers or perhaps even the major ministry of an administration. I do not know what will happen in the next thousand days.

But, Sir, some time in the future our fisheries are going to be worth a great - be a great source of wealth and of cash income for the people and for the government of the Province. That I concede. But, Sir, what have we got in this Province today? What have we got that is yielding cash, that is yielding revenue

Mr. Smallwood.

to the treasury? What have we got that means revenue?

What have we got to justify a public debt greater, much greater than the combined public debts of the three Maritime Provinces?

When this Legislature was first elected and held its first session - I think it was in November, was it not? the year before last - I spoke about our public debt. It was at that moment about between \$400 million and \$500 million less than it is today or will be in this present financial year. I am talking about the appalling debt which was then about \$2 billion, I pleaded with the government, and for awhile I was alone' in pleading with the government to pull in the belt, to retrench, to pull in the belt relentlessly - I said almost cruelly - to save to Newfoundland, to head her away from the direction in which she was headed at that moment, to save Newfoundland from collapse. And the Committee may remember that I carefully refrained from the use of a certain word. And I pointed out to the House that I was so refraining because I said I did not want to use that word, because if I had done so it might be quoted in the press, radio and be used all across Canada that I, a former Premier for twenty-three years, up to just about five years ago about, a former Minister of Finance, the man who had written every budget speech for twenty-three years in Newfoundland, that he was not saying that Newfoundland was headed toward -- and then would come that ugly word.

Mr. Smallwood: I refused to use the word, and so I said, deep trouble, we are headed for deep trouble. We are headed for serious financial trouble; that our duty as a government, as a House, as a Opposition, our duty was to get Newfoundland back on an even keel, financially on an even keel. And I almost said, For God sake stop this mad and crazy borrowing, which as a matter of fact, I was the one to begin I began the borrowing twenty-eight years ago I began the borrowing programme, and for twenty-three years I led an administration that borrowed and borrowed and borrowed and borrowed right, left and centre until the day I walked out of office our debt was up to the inconceivable amount of \$700 millions.

And then I went on to point out that in the five years, it was then about five years, after I had gone out of office that I was speaking in this Chamber, and I said in those five years since then the present administration have added \$1,400 million to my \$700 million; \$700 million in twenty-three years: \$1400 millions added to the debt in five years. Sir, I pleaded with the government, I said, looking at the Premier, I said, "Mr. Speaker, the hon. gentleman has five years. He just has been returned with a good working majority. He has got five years ahead of him under the Consitution before he must go to the people again in a general election. Use the first three years of the five to retrench, to economize, and get the ship of state on an even keel again. If he does not, Mr. Speaker, he is going to lead this Province into the direst conceivable financial trouble," and again I refrained from using that ugly word, and every member of this Committee knows the word that I have in mind.

I was fascinated by a statement from a gentleman with Moody's - is it Moody's? - quoted in the papers here lately. That did not impress me not at all, because I had two vivid recollections of a similar situation, God how I remember that situation that the government went out on the market and asked for tenders from banks, from insurance companies, from bond houses for the purchase of a set of Newfoundland bonds that year. They got more responses than ever in history from more firms. They got lower discounts, lower commissions offered them, and a lower rate of interest and generally in every way the best

Mr. Smallwood: terms that Newfoundland had ever known in all her history before or since. It was a magnificent success. I remember it so well. Everybody was so proud. It made everybody feel good. God in heaven, what a marvelous credit standing Newfoundland had! There, after these scores of years of her ups downs, now she had the best credit rating in all her history. Nine months after that in a new financial year the Newfoundland Government could not sell one single dollar's worth of its bonds. Not a dollar. Not a nickel. Not a dime. Nobody in the world would buy Newfoundland Government bonds, the very year after we had the best rating of all our history.

So I am not impressed to hear or read as somebody who takes a very superficial look-as he said, he admitted he was taking a superficial look; he would have

MR. SMALLWOOD: to examine the thing much more carefully - comes out with an optimistic statement.

Well, Mr. Chairman, it is not too late. I think the Committee will agree that in the eyes of the financial world and the commercial world and the business world, if Newfoundland did a certain thing voluntarily, of her own volition, taking her own initiative to do it voluntarily, it would be infinitely, infinitely, infinitely better than to have it forced on us. Because it is going to happen, voluntarily or involuntarily this borrowing will stop.

We cannot go on piling it up at \$200 million a year and I know, I know, I know the built-in expenditures that the churches are owed for education. I know the built-in expenditures for the Municipal Finance Corporation. I know the things that you cannot stop for a while. But you can stop everything else. And if you do not you will, you will be made. Newfoundland, I say you, you, Newfoundland, will be made to, you will be compelled to stop the borrowing. And that is my plea. It is a waste of words. It is a waste of breath. It is a waste of time. They are not going to do it. I do not believe there is the relentless iron nerve that is required to do it. But I believe this, that the people of Newfoundland will respond if they are told. It will come to them as an absolute shock to hear that everything is not well, that we have not got good credit standing, and that our debt is something that we can not carry. It will come to them as a terrible shock. But it is true, and they have got to know it sooner or later.

MR. NEARY: Mr. Chairman.

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, I listened to the hon. gentleman who just took his seat, the hon. member for Twillingate (Mr. Smallwood), very attentively, Sir, and I must say that the hon. gentleman gave the administration some very good

MR. NEARY: advice indeed. A lot of the things that the hon. gentleman said are true and I think the Minister of Finance especially would be well advised to heed the counselling and the advice that has been given by the hon. gentleman.

Now, Mr. Chairman, I do not intend to delay the vote on this particular heading, Consolidated Fund Services. Most of the things in here are statutory and immaterial of what I say there is nothing I can do to change one item. Except, Sir, that I can make one or two observations under this particular head and, Mr. Chairman, I want to re-echo a point that was made by the hon. member for Twillingate (Mr. Smallwood), and I think it is a point worth mentioning, Sir, and repeating over and over and over again because we had it thrown at us so often when we were in the administration about how we were going to bankrupt this Province, we were going to put her down the drain, we were going to sell Newfoundland down the river. The hon. member for St. John's Centre (Mr. Murphy) so often stood in his place -

MR. MURPHY: It was true.

MR. NEARY: - in this hon. House and said, Oh, we are on the brink of bankruptcy.

MR. CHAIRMAN: Order, please!

MR. NEARY: You are going to bankrupt the Province. And, Mr. Chairman -

MR. MURPHY: (Inaudible)

MR. NEARY: - Lo and behold, Sir, this hon. gentleman who was responsible for making these wild statements in this hon. House -

MR. MURPHY: So true.

MR. NEARY: - since 1962 up to 1972, for ten years when the hon. gentleman was over here in Opposition telling us that we were going - when we were over there the government - we were going to bankrupt the Province, well after twenty-three years, Mr. Speaker, as my hon. friend just said, the total debt of this Province was \$700 million, between \$700 million and \$800 million, and now after five years, Sir, the administration has

MR. NEARY: tripled, has tripled the provincial debt and they can no longer, Sir, they can no longer get up and say, Oh it is a result of a hangover from the former administration. That is not true. It is not true, Sir. Most of that debt is caused by the stupidity and the blundering of the present administration, not caused by projects that

MR. NEARY: were started by the former administration, caused by stupidity and blundering.

AN HON. MEMBER: (Inaudible)

MR. NEARY: And mismanagement, Sir. Mr. Chairman, it is well and good to talk about belt tightening and this sort of thing, and the Minister of Finance on budget day tells us that this is a budget of courage, courageous - took a lot of intestinal fortitude to present this kind of a budget. Well, Sir, as far as the Linerboard mill is concerned, reading between the lines and looking at Moody's statement in the Morning News, I would gather, Mr. Chairman, that the government had no choice, they had no choice, they were probably ordered by their financial people and by the bond houses and by the financial advisors to the government and by Moody's. The government had no choice, the decision to close the Linerboard Mill was made outside of this Province, not inside the Province. Because the Moody's and the other financial people probably, Sir, probably - and I do not know this for a fact - probably told the government that they could no longer continue to pump the amount of money that was necessary to keep the Linerboard mill going.

But, Mr. Chairman, even at that, Sir, even at that, we are still going to borrow, as my hon. friend just pointed out to the House, we are still going to borrow in the vicinity of \$200 million in this fiscal year and this is really, Sir, flying in the face of providence. There is no way, Mr. Chairman, there is no way that the people of this Province can pay the interest. We do not have the foundation. Our economy will not stand, the people cannot stand it, the taxpayers have been pressed hard enough. We cannot pay the interest on that kind of borrowing, Sir, it is far beyond our ability and our present economy to pay the interest, Sir, on, let alone make payments on the principal

MR. NEARY: of this kind of borrowing. And our interest rates, Mr. Chairman, whether the Minister of Finance cares to admit it or not, our interest rates are probably about the highest in Canada. We are paying for borrowing our money. I remember the minister saying one time "Well, there is no problem, we can still go and borrow money." Well, Sir, so can a welfare recipient. And that is what I would class Newfoundland today - put Newfoundland in the class of a welfare recipient. If a welfare recipient goes to a finance company or goes to some loan lending agency to borrow money they sock it to them on the interest because they consider them to be a poor risk. Well, that is what is happening to Newfoundland.

Of course we can borrow money, but we are paying through the nose for it. We are paying pretty high interest rates, Mr. Chairman, and we cannot stand against it. The only way, Sir, that we can possibly withstand the affect of the amount of money that we are borrowing every year is to increase our gross provincial product. And the minister told us in the Budget Speech that our gross provincial product only increased last year, I believe it was by 1.5 per cent, or has the minister forecast this year that our gross provincial product will increase 1 or 2 per cent? Our gross provincial product should be increasing by a rate of about 8 or 9 per cent, in this Province probably more. Anywhere between 10 or 12 per cent a year. And in case some hon. members do not know what the gross provincial product is, it is the dollar value of all goods and services provided, produced in this Province.

The Minister of Finance- Mr. Chairman, I heard the other day, and I really had a job to swallow this, I heard the Minister of Transportation talking about that appointment down on the Southern Shore and he said "Oh, one of the applicants was more qualified than the gentleman who held the job"; who held it for thirteen

MR. NEARY: years, I was tempted to shoot back and say to him "Well,where did the Minister of Finance get his qualifications for the job that he holds down? Over in Duff's Supermarket with his arm down in the pickle barrel?

AN HON. MEMBER: That is being dirty.

Mr. Neary: That is not being dirty at all, I am just making a comparison with the arguments.

MR. MURPHY: What is wrong with selling groceries? It is good work.

MR. NEARY: No, Mr. Chairman, I have nothing -

AN HON. MEMBER: (Inaudible)

MR. NEARY: - but the greatest respect for the hon. gentleman. I am just drawing an analogy between how the Minister of Transportation is trying to justify an appointment on the Southern Shore and I can look up and down the government benches; where did the member get the qualifications to be Minister of Consumer Affairs and the Environment?

AN HON. MEMBER: He was one minute before co-ordination.

MR. NEARY: Mr. Chairman, I realize I am wandering a bit off the subject here, Sir.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Chairman, I have been talking now both inside and outside of this House for the last, oh three or four years about productivity in this Province. And I have to again, Sir, while we are dealing with this matter of borrowing, and so forth, paying the interest and the principal, I had to again, Sir, refer to the Productivity Council that I have talked for so long and so hard inside and outside of this hon. House. If we are going to continue to live high off the hog, Sir, and obviously that is what we are doing, because the minister can talk about this being a courageous budget all he likes, but apart from the closing of the Linerboard mill, which was the only real body blow in the budget, the only real bad news, Sir, it was not a tough budget. It was not a tough budget, and I am not advocating a tough budget, I would like to look at it more positive myself and I think that we in this Province, if we are going to maintain the services and expand the services that are needed in this Province for our people, if we are going to expand, then we have to increase our productivity.

Mr. Chairman, I cannot help but repeating what I have said so often, It does not seem to have registered, it is falling on deaf ears. Canada, Sir, has the worst reputation of productivity, of production in the whole industrial Western World, and Newfoundland has the worst

Mr. Neary: record, the worst reputation in Canada. So how bad are we in this Province as far as productivity is concerned?

Now the argument may be put forward, well there are only certain things that we can produce. We can only produce iron ore, fish, pulp and paper, forest products, cement. There are only a few things that we can produce in this Province and we are doing the best we can. Well I say we are not doing the best we can, Mr. Chairman, with the facilities, and with the manpower that we have. But apart from that, Sir, when I talk about a Productivity Council I am talking about a council that will help my hon. friend the Minister of Fisheries, help my hon. friend line up a long-term, long range programme for the fisheries, when the minister and the government and all of us together have to change the attitude and have to break with tradition and change the attitude of our people, that our young people will be prepared to go fishing if there are no other jobs for our young people, and obviously there are not going to be other jobs because I think that the only natural resource that this Province has any hope at all for survival is the fishery. Re-educating people: Mr. Chairman, that is a job for the Productivity Council, not just industrial and public relations, that is not what I am talking about, Sir, I am talking about a total indoctrination of the whole population of this Province, the whole 525,000 of us, to change our attitude, whether you work in the private sector or whether you work in the public sector that you should give out an honest day's work for an honest day's pay, and that the people should produce more, and if you produce more then, Sir, you can continue to enjoy all the things that people today think are their rights, that you do not have to earn these things. If we can increase our productivity, Sir, then and only then can we claim the things that we enjoy today as our rights.

So, Mr. Chairman, having made those few remarks, Sir, I would hope that the minister would indicate to the House,

Mr. Neary.

Mr. Chairman, his feelings on this particular matter, Where is the money going to come from to pay the interest and the principal on the money that we are borrowing? Mr. Chairman, when you run into serious trouble in your borrowing, it is when you have to borrow money to pay the interest on your borrowing. That is when you run into trouble, Sir. That is stage one. I would submit, Mr. Chairman, that we are at that crucial stage in our life. Probably when the minister now stands in his place he could probably reassure the people of this Province that we are not on the verge of bankruptcy. Most people, Mr. Chairman, could see no hope at all in the budget. That was probably one of the great weaknesses in the budget, and the minister probably realizes that now from the observation and the remarks that have been made, that the budget held out no hope for the future of this Province, that it did not portray Newfoundland's role in the future for the next five, ten, fifteen years, Sir, that there was a little bit of tinkering with the various items in the budget, but it did not really indicate what kind of future Newfoundland had ahead. And I believe this was the great weakness, and this is what the minister should have played up more in his budget.

So, Sir, after the budget speech most of the reaction that I heard from the people of this Province, the ordinary people that I came in contact with, Well she is bankrupt, she is almost bankrupt, doom and gloom, pessimism is all I heard. The minister should tell us now, should make a statement after I take my seat and when the other members on this side of the House have had their say. The minister should tell us if we are in real danger of financial trouble in this Province. Can we pull out of it? Will we be able to meet our commitments in the future? Will the government take steps to improve our Gross Provincial Product by improving production, productivity in this Province? The minister should

Mr. Neary.

also tell us if we are going to take in enough revenue from the blunder made by the forced takeover of the Upper Churchill, if we are going to take in enough revenue this year to pay the interest on that loan, a couple of hundred million dollars that we had to borrow for the forced takeover of the Churchill Falls Corporation. And the minister should also indicate - that is something the minister did not do in his budget speech - indicate to us what steps that the Newfoundland Government are going to take to save money, to eliminate extravagance and waste like the Norma and Gladys affair that we are now hearing about another \$300,000 being put down the drain when the \$600 on the special grant for people buying and building houses for the first time is cut out. That \$300,000 could build 500 homes, help young people, build 500 homes. Well, it is going to be flushed down the drain on the foolish Norma and Gladys affair to try to justify the mistake that was made last year spending about \$1.5 million having her wander around the West Indies and tour various ports in the North Atlantic and Europe. The minister should tell us now before we pass this vote what the government is going to do in the way of saving money and restricting Crown corporations, and all departments of government, Memorial University, government agencies and so forth, restrict them from going out and irresponsibly borrowing and force them to eliminate - set priorities and force them to eliminate extravagance and waste.

Well, Mr. Chairman, having made these few observations, Sir, I look forward to hearing what the minister has to say about these matters.

MR. CHAIRMAN: The hon. Minister of Consumer Affairs and Environment.

MR. MURPHY: Mr. Chairman, I do not wish to delay the Committee. I know there is only a certain - but I must just say a couple of words because there was a direct reference made to me as one

Mr. Murphy.

was sitting on that side of the House when we criticized government at that time for its expenditures, And I just want to say, Mr. Chairman, that what I mentioned this morning during this Linerboard mill debate, where I would like to see the information given to the House when that bill was passed in this House - there was no record, no Hansard since that - I would like to have that produced for information of all .

Oval

MR. MURPHY: the members to see what form that debate took, and the great hopes that were raised at that time. Now only the other night I saw an excerpt from a speech given by the former Premier where the cost of this, I think, was going to be \$72 million. Now I understand there has been some \$300 million put into the linerboard mill. There were supposed to be 9,000 jobs created and as far as I can understand I do not think there were 9,000 jobs created through the bleached, the non-bleached and the paper mill and the - if we like we can refer - that is why I would like some of these things brought forward, Mr. Chairman.

MR. SMALLWOOD: Would the hon. minister allow me to remind him that what was shown on CBC T.V. the other night was an extract of the speech I made about a different mill altogether? Not the linerboard mill. Another thing altogether.

MR. MURPHY: A different mill?

MR. SMALLWOOD: Another mill that never was built.

MR. MURPHY: It bore no resemblance to facts and I thought it must be something different. That is why -

MR. SMALLWOOD: The number of employees, I said, would be about 6,000 which is about right.

MR. MURPHY: Nine thousand I heard, Sir, but my ears may be wrong.

But all I am saying is this, Mr. Chairman, just to clear my position, I would like for the debate to come out when all these things were discussed. We would have been something less than patriotic Newfoundlanders if we voted against these bills and you will find that they did get the support of the House at that time. That was constituted.

MR. MURPHY: But now we are reaping the harvest Sir, that was sown some few years ago, as far as we are concerned, and I am just replying in a direct reference to me.

Before this linerboard mill is debated I would like to get the Hansard or even the tapes played so that some of the newer members who are here could hear just what transpired and the reason why this mill was created and why we are the blackguards for having to shut it down.

MR. CHAIRMAN (YOUNG): The hon. the Leader of the Opposition.

MR. ROBERTS: I think the minister has made an excellent suggestion. I was a member of the House as was the hon. gentleman and a number of others when the linerboard Bill was debated. As I recall it the then Minister of Justice, who in fact is the present Minister of Justice, and Mr. Clyde Wells and Mr. John Crosbie, who were then ministers in the administration, spoke, presented that bill at second reading. I think my friend from Twillingate (Mr. Smallwood) will confirm my recollection and my friend from LaPoile (Mr. Neary) who was present in the House as well.

The Hansards may not have been published, Mr. Chairman, but they certainly are there. In fact, although I have not checked it, I am quite willing to wager that they are there in typescript because in those days Miss Kit Murphy, a marvellous lady, a marvellous stenographer, took the debates, they were taped and Miss Murphy took part of them and then they were typed. I do not know how far on the typescript is. If the typescript is there it is a simple matter to make it available. If it is not there it is simply a matter of taking the tapes, which I am sure are kept, I am sure are there and make them available.

MR. SMALLWOOD: Unless the Watergate -

MR. ROBERTS: Well, my friend from Twillingate (Mr. Smallwood) reminds us of the Watergate experience where the tapes were erased. But I think the gentleman from St. John's Centre, the Minister of Consumer Affairs and the Environment, has made an excellent suggestion. Perhaps what the Minister of Finance might do is see if we can put together a dossier, or to use the term in its best and most accurate sense, a white paper on the linerboard mill.

I have only had a cursory look at some of the information which he tabled this morning and I certainly want to study it. It is more than we have seen before but I do not think it is very complete. In fact, it seems to me to be but a skimming on the surface. I think given the sums of money involved and given the magnitude of the decision which the government have taken it is something that should be debated but can be debated meaningfully only if we have access to all the information. Certainly among the information to which we ought to have access would certainly be the debates which took place, I believe it was in the 1967 session here in the Legislature.

I would also say it is worthwhile any member who wants to be involved in the linerboard thing, to get out the 1972 Hansards and read there the debates. Mr. John Crosbie, of course, was the main speaker on the government side. Mr. Bill Rowe and myself and a number of others spoke on this side. Very worthwhile to get them out and see if some of the concerns that were expressed then, and to view what has happened in the light of that. But I put the point to the Minister of Finance.

Now if I could come back to the debt position,

Mr. Roberts: Mr. Chairman, for a moment, I understand we only have twenty minutes each, and when does the hour elapse?

MR. CHAIRMAN: At twelve thirty.

MR. ROBERTS: So we have half an hour left within -

MR. NOLAN: Twenty minutes.

MR. ROBERTS: At twelve-thirty I see. So we have twenty minutes left, Well I do not have twenty minutes because I was speaking for three or four, but I do not even need fifteen minutes, I would hope. I just want to say that I think the points made particularly by the gentleman from (Twillingate) are something which ought to be taken very seriously. By my figures, and I think they are correct, the total Provincial debt at the end of this current fiscal year, that is after subtracting the debt repayment, you know, we are going to roll over a part of our debt this year, I doubt if we will repay it, and we will probably roll it over.

MR. SMALLWOOD: We will borrow money.

MR. ROBERTS: We will borrow - we will take a bill payer loan, in effect, not a pay bill loan but a bill payer loan. But leaving aside of the roll over effect, even if we retire some of our debt this year, the funded debt of this Province will be \$2,494,200,000, an easier way to put that is just about \$2,495 million.

MR. SMALLWOOD: You can round it off to \$2,500 million.

MR. ROBERTS: You can round it out, as my friend from Twillingate says, to \$2,500 million. Now add on to that \$50 million, total debt retirement which really, although it is not budgetary, add on \$50 millions that will be part of the debt, because it is not a budgetary expenditure, Sir, it does not require approval in that it is not new money being spent, but that will go on the debt as well. And then, of course, we have the non budgetary -

MR. DOODY: Debt retirement.

MR. ROBERTS: I am sorry.

MR. DOODY: Debt retirement.

MR. ROBERTS: I only - I say to my friend from - the minister that I was using 145.7 to get my figure of \$2,500 million, the 145.7 is the budgetary expenditure. And, of course, we must remember in looking through these estimates that there are vast amounts of debt incurred by the Province that do not reflect in the budgetary expenditures. The Housing Corporation, for example; I do not know what they are up to now, I do not have a report here, is very large, and I suppose it is \$50 millions or \$60 millions this year, all of it being borrowed from, well I guess from CMHC, It is about \$50 million I think this year.

AN HON. MEMBER: There are also assets.

MR. ROBERTS: I am sorry. Well, we may have assets to set against it, I am not talking of a balance sheet, I am talking of the debt structure. And then, of course, there is the guaranteed debt and what it is worth and so forth.

The picture is a serious one. The proportion of our income that is going to service the debt is getting very high. And I think that is really the meaningful figure, Mr. Chairman. The total debt is high, but the total debt of most governmental agencies in Canada is very high. As the gentleman from Twillingate (Mr. Smallwood) has demonstrated our debt is higher when measured against our capacity to pay. And I think that is the real question, not really how much we owe; that is important, but in itself does not tell us a great deal. What does concern me is the proportion of our income as a Province it is going to service the debt. The cost of servicing the debt.

And this year, and this is the Head we are now on, it is about \$120 million, and out of a total current account expenditure of about \$900 - no, net - well the current account revenue, I am sorry, is what I want, of \$836 million, we are talking about a sixth, we are talking about somewhere between 15 per cent and 16 per cent of every dollar we take in goes to pay our debts.

MR. SMALLWOOD: And for every \$100 million the interest and sinking fund is \$12 million, so it is \$24 million extra for \$200 million more this year.

MR. DOODY: Current account revenue.

MR. ROBERTS: Well my friend from Twillingate has made a point as well about the effect of adding to the debt. The Minister of Finance was saying something, that \$836 is the current account revenue according to the -

MR. DOODY: Table V on page 16.

MR. ROBERTS: Well I am on page 2, it shows total current account revenue \$836 millions. Well the minister is back in his Budget Speech, I am in the Estimates, I prefer the facts to the embroidery on the facts. The Table is not listed. It is estimated Provincial and Federal Revenues.

MR. DOODY: They are added in there.

MR. ROBERTS: Yes. Sure there are, but I am talking what we take in.

The total revenue, and if Your Honour, Mr. Chairman, a more sobering fact is that the total Provincial revenue this year, the money which we raise from our own sources, our own taxes including the income tax and the sales tax

Mr. Roberts.

comes to \$475 million and of that \$118 million must go to service the debt. So by that standard we are up to about 25 per cent, in other words 25 per cent of our income as a Province, forgetting what we get from Ottawa. We are getting what we get from Ottawa either under the shared-cost programmes, which are largely out of existence now, or under the revenue sharing and the equalized programming, financing and what have you the established programme in financing and equalization. But one quarter of our income is going to service our debt. Now, Sir, that is worrisome. I know it worries the Minister of Finance. I know it worries the bond market. And in fact this is a bond market budget. The people who really shaped this budget - and I think it should be noted right now - were not so much the minister and his officials as Moody's and Standard and Poors, and I think the minister would agree with that. When he prepared the estimates, when the Treasury Board did the job that had to be done, and when the minister wrote his speech, he might have had one eye on the Cabinet and one eye on the Province, but he had both eyes on the rating agencies in New York because, of course, it is their rating which determines really the amount of interest and the rate of sale of our bonds, and if they knock us down a peg in the rating then Heaven help us all. I would guess the most significant comment on the budget to date has been the comment made by the gentleman whose name I have forgotten -

MR. DOODY: Mr. Phillips.

MR. ROBERTS: The minister has not forgotten his name. The gentleman from - Moody's was it not?

MR. DOODY: He or Rene Levesque.

MR. ROBERTS: And, Mr. Chairman, you know, we are not at the point as a Province - and I guess this is the point I wish to establish - where our financial destiny is not really in our own hands. This has the most sobering implications, and I think it is something that ought to concern us. And the other side of it, Mr. Chairman - and I will make the Minister of Finance's speech in two minutes - is

Mr. Roberts.

that we must spend this money. I do not know how much of the current account could be cut out, very little I suspect, very little without very painful consequences. I do not know how much the capital account could be cut out. We could go through it in detail, and we will at some point to analyze it. But of the approximately \$150 million that is going to be spent on capital account this year - well it is \$220 million, less \$66 million related revenue - almost all of it, I would wager, is committed in some way or another and very little of it could be cut out if the government wanted to. Some of it could. We got the spectacle of the Minister of Mines and Energy and the road paving in Green Bay. That is very nice for the people in Green Bay, and I welcome it. They will welcome it too and I am sure the minister is delighted. It is hardly a necessary expenditure. But all of those together do not come to many millions of dollars. So the real question I ask of the minister - we have got ten or fifteen minutes left under our new guillotine procedure, perhaps he could deal with this - Where do we go from here? We are now up to twenty-five per cent of our current account revenues as a Province going to service our debt. As the percentage of debt going against personal income, a lovely little table in the most recent prospectus is .135 per cent of our personal income going against our Gross Provincial Debt and that is down - in other words we are falling behind on that.

MR. SMALLWOOD: You have some time, and I have not. That is number three, 131; that is number one, number two, number four. That is the third biggest. Now look, it is equal to that, that, that, that, that and that.

MR. ROBERTS: My friend from Twillingate, Sir, has made two points which I think bear repetition as well. First of all, this head, serving our debt, is the third largest expenditure which we have. It comes after Education, and it comes after Health. So the third biggest drain on our financial ability, the third biggest drain on our financial resources, is servicing our debt.

Mr. Roberts.

Secondly, the total amount we spend on the debt, roughly equals what we spend in a year in Consumer Affairs, Municipal Affairs, Rural Development, Industrial Development, the Fisheries, Labour and Manpower. All those departments together do not consume a great deal more money -

MR. SMALLWOOD: No, less.

MR. ROBERTS: - in fact less money, consume less money than goes to service our debt. So we may be making a monster. We are at the situation now where 25 per cent goes to service the debt. It is the third largest item in our expenditure, where our financial policy in a very real way is being dictated by the rating services in New York, by the bond markets

MR. ROBERTS: by our possibility of selling them, and the proportion of our debt to our income as a Province or on a per capita basis is going up steadily. It is a very unsettled state of affairs. I could make a political speech and may be I should but I do not want to right now, to point out that the present administration when they were on this side of the House used to say that the sky was falling and that the Province was bankrupt and the debt of the Province in those days was under \$1,000 million. In fact it was about \$970 million when this administration took office. Today, as I have said, it is over \$2,500 million, it has increased two and a half times in five years.

Well, Sir, it cannot go on. I am not saying it is easy to cut. I am not so sure that there are very many ways in which cuts can be made without very painful results indeed. But the question I put to the minister is this, does he think we can go on and if not what is he going to do about it? What are the government going to do about it? Can we go on increasing our debt, I have not compounded it out but if we have increased 150 per cent in five years that is a compounded rate of about twenty-five or thirty per cent a year, far faster than our resources of the Province are going up. Can we go on paying twenty-five per cent of our revenues as a Province, our Provincial source revenues, to service the debt. I do not think we can. I do not think we can. And that raises the other question then, what do we cut out? What do we do about it? It is really a very serious matter, Mr. Chairman, it is one to which I know the minister has devoted a lot of thought. Many of his colleagues, I suspect, have not, They are sort of putting their heads in the sand and wishing it would go away, pretending the problem does not exist. There are always more ministers on the spending side than on the getting side, and the Minister of Finance I know will agree. There are all sorts of schemes in the Cabinet for spending money, great ways to spend it, producing

MR. ROBERTS: great results politically and otherwise. All sorts of plans for that but very few ever to give any thought for the other side of the story, the fact that the money must be raised, the fact that the money must be repaid if it is borrowed.

Mr. Chairman, I will yield at this point. It is not a terribly big concession. I suspect my time is about run out anyway under our rules. But I would like the minister if he would address himself to these problems. I know he takes them seriously, and I can assure him that a great number of others in this Province do. It is something, Sir, to which we have got to devote a great deal of attention and something which has got to be solved or at some point, maybe not this year, maybe not next year, maybe not five years or ten years, but within the lifetime of all of us in this House, Sir, the chickens will come home to roost, and come home to roost with a vengeance.

So I would ask the minister if he could address himself to these and then we will see where we go from there.

MR. CHAIRMAN: The hon. Minister of Finance.

MR. DOODY: Mr. Chairman, I appreciate the concerns and the sentiments by members expressed on the opposite side of the House. I also appreciate the happy position of being able to criticize the size of the budget on the one hand while bringing in day after day various petitions asking for various improvements to various services here in the Province of Newfoundland and Labrador.

That is as it should be. The people in the Province of Newfoundland are entitled to the same standard of living as the rest of the people in Canada.

MR. NEARY: - of priority.

MR. DOODY: The sad part about the situation is that we do not have the income to be able to be able to afford that. Over the past twenty-five, twenty-seven years here in the Province

MR. DOODY: of Newfoundland we have attempted to put in place the same sort of plant, if you will, that the Provinces of Canada, the rest of the provinces have managed to put in over some hundred and more years. As a result of which of course the costs are a great deal less in those days and the expectations and demands of the population were certainly not as great as they are here today.

The question of cutting and where to cut and how to cut, you know, is a daily preoccupation with Treasury Board and as the hon. Leader of the Opposition has indicated, the President of Treasury Board is sometimes not looked upon with a great deal of favour by his colleagues and indeed those members of Cabinet who are unfortunate enough to be on the Treasury Board are certainly not the most popular people around the Cabinet table.

Each department has its priorities and each department quite rightly fights for large amounts of money to meet these priorities.

MR. DOODY: To try to speak to the major question in the few minutes that is here, and that is the size of the debt and more importantly perhaps the ongoing costs of servicing the debt, is not a very simple thing to do. The services are listed there. The hospital operating costs of \$141 million, the teachers salaries of \$139 million, the interest on the outstanding debt, a close third, \$128 - \$130 million, general service salaries about the same.

MR. SMALLWOOD: The minister should be grateful that he has it over with.

MR. DOODY: The Minister of Finance is grateful for any reprieve that he can have at any time because I can assure you, Sir, and all members of this hon. House that it is not a very enviable job. It is a job that has to be done and I think that we have done the best job possible with this particular budget. I make no secret of the fact that the people in the financial market are watching us very closely. I make no secret of the fact that we always have to keep in consideration the fact that we have to bring down a balanced current account in this Province. The day that we start running current account deficiencies is a day of reckoning that the hon. members opposite have mentioned, have indicated.

As long as we are bringing down - no matter how small it might be in relationship to the entire budget - at least we are not borrowing money to pay the interest on the debt, and that in itself.

MR. SMALLWOOD: May I ask a question?

MR. DOODY: I just got a note from the Chairman.

MR. SMALLWOOD: It will help him. Would he not agree that the lending institutions to whom we have to go to get these large sums of capital money, would he not agree that in addition to looking at the budget from year to year and judging to the best of their skill and ability and experience they

MR. SMALLWOOD: have also to look forward and say "How much more can we safely lend them before they themselves will reach the point where they will not be able to service the total debt at that point".

MR. DOODY: That is an ongoing exercise, Mr. Chairman, the hon. member is absolutely correct. The prospectus which - the most recent one, and I do not have an extra - Yes, I do have an extra copy for the hon. member. I will pass it over to him later. But it is an update on the position of the Province and it continues to be updated, and at our meetings with the investors from time to time we continue to update them on the positions of the Province. There is no question at all that we borrow on the future of the Province, we are borrowing on the resources of the Province and the people in the marketplace are those people that make the decisions as to whether or not it is reasonable and sensible for them to loan us money. They do it for two reasons; one, they obviously feel confident that they will be repaid because they have confidence in the future of the Province as long as we keep our estimates, our budget under some sort of reasonable control. And the \$200 million borrowing programme is one which this Province can stand according to the marketplace. They of course, as was indicated by the hon. member for LaPoile between his annual diatribe about the pickle barrel, he managed to get in a few pertinent points.

MR. NEARY: That was not meant to be personal, by the way. That was just a comparison between the -

MR. DOODY: You do it every year, and I have never been ashamed of working and I might say Mr. Duff has nothing to be ashamed of in the results that he got from it either.

MR. NEARY: Did he get a honest days work for a honest days pay?

MR. DOODY: Yes, there was productivity at Duffs.

MR. NEARY: Hear, hear!

MR. DOODY: We struggled to keep the borrowing down.

The problem is, Sir, the members have indicated that it just cannot continue at the rate that it is going. I say that the indications are that at the rate that it is going now, the \$200 million a year - \$150 million and the \$50 million debt repayment programme, in that area, with some money for Hydro and in keeping the Municipal Financing Corporation under control -

MR. ROBERTS: What are to be taken out of the markets since you are adding on -

MR. DOODY: I would suggest that Hydro be something in the nature of \$50 million and there will be maybe \$15 to \$20 million for NMFC depending on how we think -

MR. SMALLWOOD: It will be close to \$300 million.

MR. DOODY: It will be in the \$270, yes.

MR. ROBERTS: And plus housing?

MR. DOODY: No, not plus housing. Housing is itself -

MR. DOODY: I do not know what -

MR. SMALLWOOD: And that includes Canada, the Government of Canada?

MR. DOODY: That is right, the Government of Canada and DREE and the Hydro and the NMFC and the Province.

MR. SMALLWOOD: Close to \$300 million.

MR. DOODY: It will be between two hundred and seventy-something million dollars.

MR. SMALLWOOD: Would the minister not agree that that is insanity?

MR. DOODY: Sir, it may be insanity but it is also reality.

MR. SMALLWOOD: No, it is real, it is very real but -

MR. DOODY: It is very real and it is there.

MR. SMALLWOOD: Insanity is also very real.

MR. DOODY: Well you know if it is insanity then -

MR. SMALLWOOD: Could we repeat that next year?

MR. DOODY: - there are 500,000 of us in the same mad house because we all get together yearly and go through this exercise and everybody agrees that we are spending too much money, our cost of services are too great -

MR. SMALLWOOD: But that is always in some other district.

MR. DOODY: - our salary bill is too great. And everybody -

MR. SMALLWOOD: We only agree when it is too much in the other district.

MR. DOODY: - when the time comes to get down and grapple with this problem, the only one who seems to have to explain it, or answer for it or talk about it is the poor Minister of Finance, who happens to carry the burden at this particular time.

MR. ROBERTS: Is he the minister.-

MR. DOODY: I say at this particular point in time, and in the prognostications and in the advice of the market place, the debt rate that we are incurring during the past years and which we project into the future can be carried by the Province as long as our

MR. DOODY: current account expenditures are under a reasonable level and make a contribution, however minor it might be in proportion to the total budget, to capital account. There is no panic, there is no need of bankruptcy or insolvency or any of these terrible things. We are nowhere near that position. If we were I can assure hon. members that Moody's and Standard and Poors would have let us know long before this. There was ongoing dialogue with them. They had to do reviews, they will be presenting them with another update within the next month or so. And I have no doubt at all that our credit rating will certainly be no worse than it is now, hopefully if things go well it may get an upgrade. But as I say that Baal is the lowest in Canada. It is one that we have got to live with and I do not think I have got any more time. I am sorry. God is good.

On motion Head I, Consolidated Fund Services,
carried.

201-01 - Legislative.

MR. CHAIRMAN: The hon. Minister of Mines and Energy.

MR. PECKFORD: Mr. Chairman, if I can just on a point of clarification for all hon. members as we watch the new thing get into operation, I think just as a - I guess most hon. members know what I am going to say. I think it is important for us to recognize by some voluntary means if we can that as we absorb the hours for given heads that the ministers responsible for these heads have sufficient time to reply to some of the statements that are being made. I think it is only fair. So that we should try, I do not think we can perhaps put it as another amendment now, fifteen minutes or so for minister to have a chance to respond because otherwise, as hon. members can easily recognize, Opposition members will in turn say their piece on the given subhead and the minister responsible for

MR. PECKFORD: the whole works will have very little time to respond.

MR. CHAIRMAN: The hon. member for Conception Bay South.

MR. ROBERTS: The minister should have more than seventy-five hours.

MR. NOLAN: The only thing is, the question that arises is is the minister going to make an opening statement? If he does, how long is that going to be? If he is then going to make a closing statement, how long is that going to be, and what is the total amount of time? For example, in the one we are talking about now, or the next one, Legislative - one hour, if the minister decides to have an opening statement and then any kind of a lengthy closing statement you are just going to make a complete hash of it.

MR. PECKFORD: No. No. I thought the hon. member on the opposite side realized that I was being serious and that I did not mean it in the line of lengthy opening statements. I think all the ministers have agreed or were in the process of agreeing that if there is to be an opening statement by a minister and his department it will -

MR. ROBERTS: He will only have twenty minutes.

MR. PECKFORD: Twenty minutes and that is all. And in most cases I do not think we will be that long unless hon. members on the other side wish us to articulate some particular policy in the department that they represent.

MR. ROBERTS: After five years we have given up.

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, of course on this particular subhead, Sir, there is no particular minister responsible for Legislation so that is why I stood, Sir, because I knew that there would not be a minister who would get up and say, "Well I am going to introduce this subhead - 201 sessional and 202 - Government and Auditor General, Office of the Parliamentary Commissioner and so forth." So we have one hour now, Mr. Speaker, to debate, to mull around in our minds, to bandy back and forth

Mr. Neary,

three very, very important topics; the Legislature, this House of Assembly; the Auditor General, government of the Department of the Auditor General, and officer of the Parliamentary Commissioner. So, Sir, I do not want to cut in on other members' time, so straight away I am going to say, Sir, that in my opinion I think that this Province is over-governed and that the number of members in the Provincial House of Assembly should be reduced by ten. I think it was a gross error in judgement, it was a mistake, Sir, to increase the number of members in this House by nine, I believe - yes, by nine - as was recommended in the Royal Commission.

MR. ROBERTS: No, no, The Royal Commission was not asked to recommend. The government decided -

MR. NEARY: Well, that is right. That is the point I am going to make. The government in their terms of reference laid down stiff rules and regulations binding the Commission of Enquiry to bringing in the recommending of fifty-one members in the House. They had no choice. The government decided arbitrarily that the number of members in this House of Assembly should be increased by nine. I say now, after the experience that we have had, that the number of members of this House should be reduced by ten, thus saving the taxpayers, the hard pressed taxpayers of this Province around \$400,000 or \$500,000 a year, save the taxpayers a half million dollars a year. And, Mr. Chairman, I am not pointing the finger.

MR. ROBERTS: If I had wanted to save that much you would have had all of it.

MR. NEARY: Well we are talking, Sir, about - you are talking about \$20,000-odd per member per year so you are talking about a quarter of a million there.

MR. ROBERTS: Not for ten. Ten times twenty is \$200,000.

MR. NEARY: Two hundred thousand. Well a little over \$200,000.

MR. DOODY: He was not in the pickle barrel.

MR. NEARY: A quarter of a million.

MR. MURPHY: What member gets \$20,000?

MR. NEARY: Two hundred and twenty-five thousand roughly.

MR. MURPHY: This is all - what member gets \$20,000?

I cannot figure out that one.

MR. PECKFORD: One hundred and sixty thousand, is it not?

MR. NEARY: Mr. Speaker, there is not a member of this hon. House now, Sir, whose total income is less than \$20,000 a year.

MR. MURPHY: That is for a member?

MR. NEARY: Total income, sessional indemnity, travelling expenses, district allowances.

The Minister of Finance can tell us. Am I right or am I wrong?

MR. DOODY: I do not know.

MR. NEARY: The minister does not know.

MR. DOODY: I honestly do not know.

MR. PECKFORD: An hon. member does not make \$20,000 a year.

He may make \$15,000 or \$16,000, or whatever it is.

MR. MURPHY: (Inaudible).

MR. NEARY: Well the hon. minister is thinking about the St. John's members, but the members outside.

MR. MURPHY: St. John's and Placentia and so on and so forth.

MR. NEARY: No, in Placentia, Sir, I would say that the member is around \$19,000 or \$20,000 a year.

MR. DOODY: It is so complicated that nobody knows.

MR. NEARY: Well all right, let us strike an average. Let us say my hon. friend, the Leader of the Opposition is correct, roughly around \$200,000. I think that is a fair statement, That is you reduce the number of members in this House, in the Legislature by ten, you will save the taxpayers \$200,000 in allowances, and sessional indemnity. Okay, \$200,000? But there are other savings. There will be other savings, Mr. Speaker. There

Mr. Neary.

will be savings in office space. There will be savings in secretarial help. There will be savings in research assistants and so on. So I am claiming, Sir, and I do not think I am far wrong -

MR. NOLAN: Would the hon. member permit? This, too, is confirmation for his information.

MR. NEARY: Yes.

MR. NOLAN: You must also take into account the costs involved in the elections in ten districts.

MR. NEARY: That is right.

MR. NOLAN: It is quite substantial.

MR. NEARY: My hon. friend is way ahead of me, Sir, way ahead.

MR. ROBERTS: That is right. He certainly is, yes.

MR. NEARY: I am just talking about just operating, running their offices and the cost of their just sitting in this -

MR. ROBERTS: You would save a fifth of the cost and say \$350,000 a year.

MR. NEARY: Three hundred and fifty thousand. I said \$400,000. With the inflationary -

MR. ROBERTS: Since some members cost more than others, if we got rid of the expensive ones.

MR. NEARY: So, Mr. Speaker, here is -

MR. ROBERTS: The member for Bonavista North.

MR. NEARY: - here is a way, one of the ten ways that I suggested to the minister, by the way -

MR. ROBERTS: It used to be three ways.

MR. NEARY: - one of the ten ways that the Newfoundland Government can save money, and that is to admit their mistake.

MR. SMALLWOOD: John Crosbie cost the treasury more than all the members of the House combined, all of them.

MR. NEARY: John Crosbie -

MR. SMALLWOOD: He cost us a half a billion dollars.

MR. NEARY: That is right.

MR. SMALLWOOD: Churchill Falls and taking over the
Linerboard mill.

MR. NEARY: The Linerboard mill. That is right.

MR. SMALLWOOD: Principally causing the closing down
of Come By Chance.

MR. NEARY: That is right, Sir. That is right.

MR. NEARY: And, Mr. Chairman, then there is the cost of -

AN HON. MEMBER: Beer went up -

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

MR. NEARY: Then there is the cost, Mr. Chairman, of getting the ten additional members elected. What is the average?

MR. NOLAN: \$5,000 I hear.

MR. NEARY: Well there is another \$50,000. So overall, Sir, if the government is interested in saving the taxpayers' dollars, if the government are sincere and want to do a job then reduce the number of members in this House by ten and save the taxpayers a half million dollars, one half million.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Now, Mr. Chairman, that is not for me to say. I know, I can hear them now, the hon. gentlemen when they get up to defeat this, we will wipe out LaPoile district, get rid of the hon. gentleman. They have been trying that, Sir, for sixteen years, and they have not succeeded at that yet. I am not pointing the finger at any particular district. I think it should be done by an independent impartial group of people.

MR. ROBERTS: And their recommendations accepted -

MR. NEARY: And the recommendations, Sir, accepted by this House, no arbitrary decision made by the government or anybody else that you have to increase the number of member by nine or ten. Let the Commission be independent, impartial Commission decide, carve the Province up into forty-one districts.

AN HON. MEMBER: Thirty-six.

MR. NEARY: No, forty-one.

MR. DOODY: Forty-nine.

MR. NEARY: We are now fifty-one districts; cut it back by ten.

AN HON. MEMBER: There are too many seats in St. John's.

MR. NEARY: Mr. Chairman, -

MR. ROBERTS: That is all they have got now, Sir.

MR. MURPHY: We represent the people, you know, not rocks and trees.

MR. NEARY: Mr. Chairman, we have in this hon. House, Sir, - the hon. gentleman talks about rocks and stumps, well we have a lot of useless hucks in this House right now, sticks of furniture that are doing absolutely nothing only drawing down their pay, monkeys on the taxpayers' backs.

MR. MURPHY: We have seen that these past few months.

MR. NEARY: That is all they are, Sir.

MR. MURPHY: I agree with everything the gentleman says.

MR. NEARY: Well does the hon. gentleman agree with cutting back the number of members by ten, reducing the -

MR. MURPHY: By fifteen. That is what I want, thirty- six members.

MR. NEARY: Well I would say a minimum of ten, Sir, but I would leave it up to a royal commission to decide on what districts, how the Province should be carved up into forty-one districts, if that is the number. But I would leave it up to the commission. Let the commission decide. The government made a gigantic blunder when it wrote the terms of reference for the Higgins Commission on the distribution of electoral boundaries in this Province; the late Judge Higgins was the Chairman of that commission. It was a mistake, Sir, and we can see it everyday in this House. There are too many members in this hon. House.

MR. MURPHY: Were there too many in '66?

MR. DOODY: Where are they?

MR. MURPHY: (Inaudible).

MR. NEARY: Mr. Chairman, all you have to do is look around, Sir, there can be twenty and twenty-five members absent from this House everyday and they are not missed. As a matter of fact, I can name one member who just drops in once and a while when he figures the opportunity is there for him to make a speech, get his name in the papers, and then he leaves, and you will see him no more for another three or four weeks, he is down somewhere in his law office or down in court.

MR. MARSHALL: I do not know what you are screaming at me for. I am not deaf.

MR. NEARY: No, but the hon. gentleman - I have to scream at him because the hon. gentleman, this does not seem to register, I am not getting through to the hon. gentleman. The hon. gentleman knows just as well as I do, Sir, that there are people in this House who are just useless hulks, useless sticks of furniture.

MR. MURPHY: Sent here by the people.

MR. NEARY: Sent here by the people.

MR. MURPHY: Naturally they are -

MR. NEARY: And I am amazed, Sir, that the people of this Province have been conned as long, I think, they have now reached the stage where they are pretty fed up with this sort of thing. There is no reason at all, Sir, in this world why the number of members of this House could not be reduced by a minimum of ten members.

Mr. Chairman, we only have an hour, an hour to kick this matter around. Mr. Chairman, the question of the relevancy of this House has been raised time and time again, I have been sitting here now, this is my sixteenth session of the House, and every year religiously members will stand in their place in this hon. House and talk about the House as being completely irrelevant to the requirements and the needs of the people of this Province. And every year a number of members will get up and say the rules should be changed. What are we going to do about this? People think we are all a bunch of scoundrels and rouges, we are all a bunch of crooks in here, we have got a poor image, members go out and they meet their constituents and they say, "Is the House sitting now or is it closed? Is the House completely irrelevant to the people? It should be closed down.

SOME HON. MEMBERS: Oh, oh!

MR. SMALLWOOD: Apart from looking upon us as a -

MR. NEARY: My hon. friend said, "Apart from

MR. NEARY: looking upon us as a bunch of scoundrels and rogues, they do not look at us at all." Well, Sir, I would say they do, they look at us sometimes with pity. But, Mr. Chairman we only have one hour now to straighten all this out and what are we going to do about it? Democracy has been challenged all over the world. Legislatures, parliaments, assemblies are being challenged all over the free world and we have an hour now to try to straighten out our little mess here in Newfoundland. The hon. gentleman from Exploits came into this House wild-eyed, out to - Beg your pardon!

AN HON. MEMBER: Bushy-tailed.

MR. NEARY: - bushy-tailed, set the world on fire. I do not know if the hon. gentleman is impressed or disillusioned with the House. I would like to hear what the hon. gentleman has to say under this matter of Legislative. Are we justifying our existence? Are we earning our keep? Should we not be meeting thirty-three hours a week for so many months a year? Mr. Chairman, these are very important questions because I hope that hon. gentlemen do not think that democracy is not being challenged in this Province the same as it is being challenged in other jurisdictions throughout North America and throughout the free world. And if we do not do something about it, and if we do not make ourselves relevant to the real wants and needs of the people of this Province then we deserve to be flushed down the drain. You got a situation, Mr. Chairman, in this Province at the moment where the voters are completely frustrated, bewildered, confused, discouraged, disillusioned, fed up with the present government, cannot stand to think that this government has to carry on for another two years and yet, Mr. Chairman, they can see no alternative to the government. And therein lies the problem, no alternative.

MR. NEARY: They are asking themselves is the alternative the NDP, is the alternative a new party?

MR. CARTER: What about the independent member for LaPoile? Is he -

AN HON. MEMBER: He is on the next list I think.

MR. NEARY: Mr. Chairman, I have thought about it. I do not mind telling the hon. gentleman I have thought about it, Sir, but the fix is in and therefore I would not dirty up my fingers getting tangled up in that corrupt mess of stacking the cards and loading the dice. The ordinary people of this Province will not have any say.

MR. DOODY: The hon. member talking about people.

MR. NEARY: I am talking about the fix for the leadership, if that is what the hon. gentleman is referring to, The fix is in, as far as I am concerned. And there will be slates - and they say it is a way of life, there will be slates and there will be busing and there will be booze.

MR. DOODY: This is the great reform party you are talking about.

MR. NEARY: Mr. Chairman, you can talk about this party, you can talk about that party, they are both tarred with the same brush. There is no difference between the Liberal Party and the Tory Party when it comes to electing a leader. The fix is in, Sir. The same old corrupt ways, the same old corrupt procedure, the same old corrupt procedure will be used to elect a leader that we have seen in the past, of both parties. I am not just saying that about the Liberal Party.

MR. DOODY: The hon. member for Burgeo-Bay d'Espoir better cancel his band then.

MR. NEARY: The hon gentleman from Burgeo - Bay d'Espoir may be testing the water, but I can tell the hon gentleman now that if he has any intentions of getting in that he better get well bank-rolled, because the big money will decide the

MR. NEARY: outcome.

MR. SIMMONS: My band is all rented, dear boy.

MR. NEARY: Big money will decide it, Sir. The buses and the booze and the -

MR. SIMMONS: 'Steve, you can have my band anytime.

MR. NEARY: And the wining and dining. Well, my hon. friend, I do not know if my hon. friend has been listening to what I have been saying here.

MR. SIMMONS: Yes, Sir, I have - every word.

MR. NEARY: Unless, Sir, they are prepared to have this matter decided by direct democracy and let the people decide it and not the accepted clique - the establishment decide it, Sir, and I still say that I am right that the fix is in and it is all cut and dried right now, Sir. Mr. Chairman, I only have five minutes left and I cannot deal with the other two matters but I understand we can keep coming back so -

AN HON. MEMBER: Who is going to win?

MR. NEARY: Who is going to win? Whoever has the most booze and the most money and the most buses and the most - and can go around at three or four o'clock in the morning knocking on doors and putting in cases of beer and paying delegates expenses. And, Sir, -

MR. DOODY: I wonder who looks after this in our party.

MR. NEARY: Yes, the hon. gentleman has all that in his own party and then we stand here in our hypocritical - and in our hypocritical way we stand

MR. NEARY: here and say, Let us reform politics in Newfoundland. Well let us start, I would say, with the election of a Leader of a party on both sides, not only on this side. It will come again. The hon. gentleman's turn will roll around.

MR. SMALLWOOD: Would it include a choice of candidates as well?

MR. NEARY: A choice of candidates?

MR. SMALLWOOD: Yes.

MR. NEARY: Well, Sir, if it was wide open and decided on the floor of the convention, then I would say that you would have a wide choice of candidates. But as it is now, ordinary fellows like myself are afraid to get into it.

MR. SMALLWOOD: You cannot have only sixteen persons present at a convention from a district. You are not going to leave it to those sixteen persons to select a candidate.

MR. NEARY: No.

MR. SMALLWOOD: It should be done in the field.

MR. NEARY: Of course! Of course! I could not agree more. Direct democracy. That is what I mean by deciding it in the field.

But however, Sir, that is another matter. But, Mr. Chairman, we do have to think seriously about improving the image of this Legislature. How can we do it? I think one of the ways is to reduce the number of members, reduce the Cabinet down to probably below fifteen. A maximum of fifteen. Have it less than that. I think it should be down to twelve myself.

So, Mr. Chairman, if I get a chance there are a few other points that I want to raise under this Heading II, Legislative, but right now I have run out of time. So I hope I will get a chance to get back to it again.

MR. MURPHY: Anybody going to say anything?

SOME HON. MEMBERS: No.

MR. MURPHY: I should like to ask one question. Where can I find a vote for the Opposition office? Is this under Legislative?

MR. DOODY: Yes.

MR. MURPHY: It is under Legislative, is it?

As a former Leader of the Opposition, who received the substantial amount of \$10,000 a year to run that office over there, I had to be my own bookkeeper, I had to buy my own postage stamps. I am just wondering now - I have heard some questions that all -

MR. PECKFORD: How much does the Leader of the Opposition get now, 'Ank'?

MR. MURPHY: I do not know. I am just wondering. I see here Opposition office \$130,000. Is that a fact? And the hon. member was talking about wasting money on the Norma and Gladys?

AN HON. MEMBER: Yes.

MR. MURPHY: God help us! I understand that the phone calls are collect. I would like to know what the amount of the phone bills are?

MR. SIMMONS: Well, that is in the interest of the constituents.

MR. MURPHY: Postage. That is not a constituency office. You get \$4,000 or \$5,000 a year as travelling expenses for your constituents, not for to run the Opposition office. It may be used for that purpose, but all I am saying is, Mr. Chairman, I have heard this government take more abuse for not doing this and not doing that. As I say, when I came into this House in 1962, Jim Greene was then Leader of the Opposition. He received \$5,000 from which we were supposed to run a research staff, we were supposed to pay our own postage, we paid our own contribution to unemployment

MR. MURPHY: insurance. I was Whip. I did all the books, I kept the cheques and did it all. Now I understand that there is \$130,000 with seventeen or eighteen members. We only had three or four and the House knows the need for research. All I am trying to put across, Sir, is that the more you do for some people the less it is appreciated. Here we have a group over there now, hon. members, I do not know what their phone bills are but I hear they are astronomical.

We are talking about cutting back expenses. They tell me that very few bother to write letters these days, they just go to the phone and charge everything. And it might be of information to the House, Mr. Chairman, to find out at some time what phones are costing this government. I hear there are over \$2 million paid to the Telephone Company in calls. If we are going to start economizing, let us start right at this thing.

MR. SIMMONS: That is members only now.

MR. MURPHY: That is what they tell me now. That is the cost. That is what I would like to know, members only. What the Opposition and offices on this side. We have them all too. Everything laid out nicely. Nice quarters and everything else. Can the government afford the trappings of an elephant on the back of a mouse, I sometimes wonder. Let us start at the small things cutting back and the large things will look after themselves. I do not know about postage. I do not know if that is out of this \$130,000. It is not, I do not think. This is only salaries. If the Opposition office buys their own stamps, and I do not believe they do - I had to when I was Leader of the Opposition.

I do not know about transportation. I understand the trip the boys took to Montreal was paid for out of that account. I do not know if that is true

MR. MURPHY: or false. I do not know if there is any travelling account. It brings to mind a few years back when Bishop McGrath was consecrated in Corner Brook. I had an invitation as Leader of the Opposition and my wife. Government went out. I think there were at least three chartered planes. There was the government plane, Lundrigan's jet. I paid my way to Deer Lake return, and my wife's own expenses. We were sort of outcasts. And when I say that I received \$10,000, that grant for the office, I did not get it all at the one time, there were three of four cheques. I had to go to Mr. Clark, the Speaker, and get a cheque every now and then.

But I am just saying with reference to treating Opposition, and the need for it,

MR. MURPHY: And how much money is wasted? How much money is wasted by that department of the House of Assembly, We talk about this, that and the other thing. I would like for someone to give me a statement, how much posting stamps are, how much the telephone bill is, and this type of thing and I think that we can start from there then and say, Is it worth it that this money is paid? And we will add it all then to the other expenses that in my opinion are not at all justified. And I go back again to say that when I was the Leader of the Opposition in 1969 I think I had \$10,000. The lady who was my secretary at the time I paid her \$75 a week and I was very happy that I could give her a raise to \$87.50 because I cut down and only employed a researcher for three or four months of the year. And you know, things have changed and all the rest of it, but I believe the members of the Opposition should appreciate that this government has tried to do something to help these people try to do their job faithfully.

MR. SMALLWOOD: Mr. Chairman, if nobody else does I would like to say that I believe that the government, since they assumed office five or six years ago, have been quite generous in their treatment of the Opposition with regard to providing them with offices and with secretarial help and with telephone services and travelling expenses and the like, which is good. In doing it they did right. They did the right thing. And I am not unappreciative, and I do not believe that any hon. member on this side of the House is unappreciative. Of course, the private members on that side of the House I assume get the same generous consideration from the government and of course the Ministers of the Crown always did get relatively generous treatment from the public chest.

While I am at it I would like to put it on record, and I suppose it has been forgotten, that I have the honour of having been the first Premier in our history to bring in an arrangement whereby the Leader of the Opposition got a salary. Until

MR. SMALLWOOD: I did it the Leader of the Opposition got his sessional indemnity like any private member. But I arranged, I made an arrangement, I introduced an arrangement under which the public chest paid a salary to the Leader of the Opposition, as Leader, and paid the salary of a Chief Whip for the Opposition and also for the government of course.

MR. MURPHY: 1966.

MR. SMALLWOOD: And provided for the press in the old building, the Colonial Building, a special room which they had never had before, and facilities in it. And in this building I provided all the facilities there are for the press and I am rather proud that I was the innovator of these reforms, and they were reforms aimed at making the House that much more efficient and making the gentlemen of the press, all kinds of press now, radio, television as well as printed, more easily, more conveniently able to perform their important tasks because of course the view I have always taken and continue to take is that they are the people's eyes and ears. They are here, five or six or eight of them every day, representing half a million people and it is only what they convey to the people about the business of this House that the public ever hear or know about. If it were not for the radio, television and newspapers we might as well meet in secret, hold purely private meetings. The only reportage to the people of what we say is through these reporters.

Somebody was saying, I think it was the member for LaPoile (Mr. Neary), that the people are generally ignoring us and I am afraid that is true. Hon. members doubtless saw the programme on TV last night in which various MPs, including some of the leaders, some ministers, discussed the attitude of the Canadian people to Parliament and they are finding across Canada vis-a-vis the Parliament of Canada, very much the same kind of indifference that we find among our people toward this House.

I have spoken about it before. I reminded the House that the time was when the greatest honour, next to being

MR. SMALLWOOD: Governor, next to being Chief Justice, next to being Archbishop, next to being Bishop, there are four or five great honours, and next only to those the greatest honour you could have in Newfoundland was to be a member of this House. This was the great law making body and the people in Newfoundland had enormous interest in it, not always endless respect but always profound interest. Today the amount of interest that is taken in the people's House is quite negligible unless some thundering row takes place, unless you have a case such as happened when Sir Alfred Morian seized an ink well to fling it at the head of a minister across the floor, or some incident of that nature.

The public could not care much less about the House. They do not know whether it is open or closed and they care less, which is a great pity. That is not a good sign for democracy, is it?

MR. CHAIRMAN: It now being one o'clock I leave the Chair until three.

I N D E X

ANSWERS TO QUESTIONS

TABLED

MAY 2, 1977

Answers to Questions # 171

(Mr Neary)

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LABRADOR LINERBOARD LIMITED

MAY 2 1977

March 7, 1977

Mr. Bruce Waterman
Department of Finance
Confederation Building
St. John's, Newfoundland A1C 5T7

Dear Bruce:

In reply to your request of March 3rd, the following replies are given to questions posed by S. Neary in the House of Assembly:

Question
#

171. (1) \$4,650,000
(2) 3,255,000
(3) As attached. (All equipment was purchased on the basis of tenders invited from the available suppliers. Lowest bid accepted from amongst these).
(4) Yes.
172. (1) \$46,500 book value, market value much lower.
(2) Nil.
(3) Nil.

. . . 2

Equipment to be Repurchased From

Citlcorp Leasing International

<u>Description</u>	<u>Supplier</u>	<u>Date Purchased</u>	<u>Original Purchase Price</u>
2 Timberjack Skidders	Nfld. Tractor & Equipment	05/21/74	\$ 37,818.00
2 Timberjack Skidders	Nfld. Tractor & Equipment	05/10/74	37,818.00
4 Timberjack Skidders	Nfld. Tractor & Equipment	04/25/74	75,636.00
4 Timberjack Skidders	Nfld. Tractor & Equipment	04/25/74	75,636.00
5 Timberjack Skidders	Nfld. Tractor & Equipment	04/09/74	94,545.00
5 White Trucks	White Motor Corporation	06/11/74	149,750.00
5 White Trucks	White Motor Corporation	06/25/74	149,750.00
1 Used Drott Excavator & Roller	Atmus Equipment	06/24/74	48,650.00
2 Pettibone Super 20 Carrylifts	La Have Equipment	07/25/74	131,800.00
3 Hyster Lift Trucks	Harvey & Company Limited	07/31/74	99,455.80
1 Clark Forklift	Atlantic Clarklift	06/28/74	13,216.00
2 Holman Air Compressors	Harvey & Company Limited	05/16/74	17,000.00
2 Pitman Hydralifts	Harvey & Company Limited	06/28/74	24,926.12
1 Atlas Copco Compressor	Atlas Copco Canada Limited	06/10/74	42,927.20
3 Hahn Harvesters	Domac Enterprises Limited	08/21/74	171,729.00
1 Koehring Load Aligner	Koehring Canada Limited	09/11/74	24,500.00
1 Fiat Allis HD16PS	A.E. Hickman	03/15/74	55,249.00
5 C5 Tree Farmers	Domac Enterprises		118,048.00
2 Tanquay Slashers	Tanquay Industries Limited	09/13/74	312,414.40
1 Used Super 15 Pettibone	La Have Equipment	08/01/74	25,500.25
4 1974 Chevrolet Buses	Corner Brook Garage	06/28/74	56,847.20
9 1974 Chevrolet Buses	Corner Brook Garage	07/22/74	130,356.20
2 Load Aligners	Koehring Canada Limited	07/24/74	40,110.00
5 C5 Tree Farmers	Domac Enterprises	07/29/74	91,750.00

198 2/1981

	<u>Description</u>	<u>Supplier</u>	<u>Date Purchased</u>	<u>Original Purchase Price</u>
3	Champion Graders	Domac Enterprises	07/08/74	\$ 87,900.00
17	C5 Tree Farmers	Domac Enterprises	07/08/74	220,200.00
3	C5 Tree Farmers	Domac Enterprises	08/14/74	55,050.00
2	Hahn Harvesters	Domac Enterprises	08/14/74	114,486.00
1	Hahn Harvester	Domac Enterprises	05/31/74	48,000.00
1	Hahn Harvester	Domac Enterprises	05/31/74	48,000.00
1	C5 Tree Farmer	Domac Enterprises	05/31/74	18,350.00
1	HD16PS Dozer	A.E. Hickman	07/26/74	63,837.48
1	Fiat Allis 745 Loader	A.E. Hickman	07/26/74	54,289.00
1	HD16PS Dozer	A.E. Hickman	07/26/74	55,249.00
1	Fiat Allis 745 Loader	A.E. Hickman	05/15/74	54,289.00
8	HD11 Tractors	A.E. Hickman	05/15/74	342,280.00
1	HD21 Tractor	A.E. Hickman	05/15/74	107,000.00
1	HD21 Tractor	A.E. Hickman	05/15/74	79,852.00
1	Logging Camp	L'Islet Industries	06/28/74	248,375.00
2	Logging Camps	L'Islet Industries	08/05/74	480,980.00
2	Lokomo Transporters	J.A. Moreau & Assoc.	05/16/74	150,312.00
5	Lokomo Transporters	J.A. Moreau & Assoc.	07/09/74	379,780.00
1	King Trailer	Truck Engineering	08/22/74	15,978.00
7	King Trailers	Truck Engineering	07/10/74	91,266.00
6	1974 Mack Trucks	City Motors (Nfld.) Limited	07/30/74	174,986.40
2	HD16PS Tractors	A.E. Hickman	08/20/74	110,498.00
1	Forono Slasher	Forono Limited	09/10/74	143,000.00
1	1974 Mack Truck	City Motors (Nfld.) Limited	09/20/74	29,164.40
1	1974 Mack Truck	City Motors (Nfld.) Limited	09/03/74	32,895.00
2	Lokomo Forwarders	J.A. Moreau & Assoc.	09/27/74	145,700.00
2	Drott Feller-Bunchers	Atmus Equipment	08/28/74	173,650.00
1	Used Drott 40 BER	Atmus Equipment	09/23/74	65,921.75
1	Timberjack Harvester	Nfld. Tractor & Equipment	07/25/74	67,900.00
8	Timberjack Skidders	Nfld. Tractor & Equipment	07/30/74	151,272.00
1	Forono Feller Buncher	Forono Limited	04/25/74	71,165.00
6	C5 Tree Farmer	Domac Enterprises	10/31/74	142,512.00

LABRADOR LINERBOARD LIMITED

Logging Equipment - 1975

at (items discussed)

<u>EQUIPMENT</u>	<u>DEALER</u>	<u>PRICE</u>	<u>DELIVERY</u>	<u>REMARKS</u>
<u>OFF-HIGHWAY TRUCK</u>				
Kenworth LW900	Domac	\$45,300 F.O.B. Stephenville	45-60 days	Prov. tax not included
57 ○ Mack RD795SX <i>M</i>	City Motors	\$36,980 F.O.B. Stephenville	Stock	
<u>SELF-LOADING BOOM TRUCK</u>				
Kenworth C-500	Domac	\$50,888 F.O.B. Stephenville	45-60 days	Prov. tax not included
74 Mack R795ST <i>M</i>	City Motors	\$47,975		Same truck as Stephenville fleet
<u>1-TON TRUCK CAB AND CHASSIS</u>				
65 Chev. <i>W</i> ✓	Corner Brook Garage	\$4,935	Stock	V-8 engine Prov. tax not included
Dodge D300	City Motors	\$5,026		\$440 deduction if F.S.T. exempt
○ Roc-Jac (Rock drill unit)	Atlas Conco	\$88,350		
○ Holman R0750P Compressor and Holtrac 4 air track <i>M</i> ✓	Harvey & Co.	\$79,952		

<u>EQUIPMENT</u>	<u>DEALER</u>	<u>PRICE</u>	<u>DELIVERY</u>	<u>REMARKS</u>
<u>BUCKET LOADER</u>				
OK Fiat-Allis 745B ✓	Hickman Equip. Ltd.	\$73,000 F.O.B. Stephenville	Stock	4 cu. yd. bucket Prov. tax not included
Hough H80B	Harvey & Co.	\$74,388		3 1/2 yard bucket 3 spool valve
Caterpillar 966	Nfld. Tractor & Equip. Co. Ltd.	\$92,797 - less 10% for cash		3 cu. yd. side dump bucket if 4 cu. yd. std. bucket deduct \$2,200
<u>TREE LENGTH LOADER</u>				
OK Fiat-Allis 745B	Hickman Equip. Ltd.	\$84,300 F.C.B. Stephenville	60 days	Lighter unit & rubber tire Hurricane 300X grapple Prov. tax not included
International 250C	Harvey & Co.	\$81,051		\$1,975 - 24" extension arms
Caterpillar 977L ✓	Nfld. Tractor & Equip. Co. Ltd.	\$89,248		200X grapple
977L	Rosedale	\$73,500 F.O.B. Stephenville	3 weeks	British Columbia 380 hrs on machine Japanese make

Lalcor Limited
Equipment to be Repurchased from
Kangas Leasing

Description	Supplier	Date Purchased	Original Purchase Price
1 Caterpillar D6C Tractor	Nfld. Tractor & Equipment	02/18/74	43700.00
1 1974 Drott 40ER	Atmos Equipment		57065.00
7 Timberjack Skidders	Nfld. Tractor & Equipment	12/18/73	120330.00
1 King Low Bed Trailer	Truck Engineering	1/25/74	12239.00
2 Logging Camps	L'Islet Industries		46715.226
3 Caterpillar D6C Tractors	Nfld. Tractor & Equipment	11/15/73	131100.00
1 Caterpillar Diesel Electric	Nfld. Tractor & Equipment	11/29/73	14690.00
4 Timberjack Skidders	Nfld. Tractor & Equipment	10/23/73	65360.00
8 Timberjack Skidders	Nfld. Tractor & Equipment	11/30/73	137520.00
1 Load Aligner	Koehring Canada Ltd.	1/18/74	18100.00
1 Lokon Transporter	J. A. Moreau & Assoc.	2/22/74	75156.00
1 Logging Camp	L'Islet Industries		248375.00
1 Champion Grader	Domac Enterprises		23850.00
7 Logging Trailers	Truck Engineering	5/1/74	90906.00
3 Hahn Harvesters	Domac Enterprises	5/9/74	144000.00
4 Can Car Skidders	Domac Enterprises	5/9/74	754000.00
4 Mack Trucks	City Motors (Nfld.) Ltd	17/30/73	197920.00
			187486.326

LABRADOR LINERBOARD LIMITED

Questions - House of Assembly,
Monday, February 28th, 1977

MAY 2 - 1977

155. - Mr. MacNeil (Stephenville)

- (1) The losses incurred by Labrador Linerboard Limited are a result of poor markets which have depressed the mill selling prices and a cost structure which is largely fixed. The most serious problem facing the mill in terms of its cost structure is the wood cost experienced by the mill.
- (2) The cost of wood per cord of Labrador FOB Goose Bay approximates \$80.00 per cord. The transportation cost per cord from Goose Bay to Stephenville approximates \$24.00 per cord.
- (3) To the end of the fiscal year ended March 31, 1976, of the total sources of wood of 1,147,199 cords, 584,258 cords were supplied from Goose Bay.
- (4) The effect of Labrador wood on the overall wood cost would depend on the mix of Labrador wood with wood from all other sources. Since the Company would utilize the cheapest wood sources fully before using the next most expensive wood source, it is impossible to put a dollar value on the effect of Labrador wood on the overall wood cost per cord without assuming a production level and a cost for wood from sources other than Labrador. In the fiscal year ended March 31, 1976, the effect of Labrador wood on the overall wood cost per cord was approximately \$14.50.
- (5) The cost of machinery bought for the woods operation (Woodlands Division) to the Company was:

(a) in Labrador was \$800,000 as at March 31, 1976;

(b) on the island was \$500,000 as at March 31, 1976.

In addition, the Company has \$2.7 million and \$8.5 million of equipment in Goose Bay and on the island funded by DPEE.

(6) The cost of island wood per cord in the fiscal year ended March 31, 1976, was approximately \$66.00. In the period from start up to March 31, 1976, the Company has purchased 433,568 cords on island, and harvested 132,287 cords from its own woodlands operation.

(7) Preliminary estimates by the Department of Forestry and Agriculture indicate that there would be enough wood on the island to sustain three mills on an annual allowable cut basis if certain of the more uneconomical areas of the island were utilized. At present a detailed analysis of the annual allowable cut on island is being conducted by the Task Force on wood supply (which includes the Department of Forestry and Agriculture) which was set up by the Advisory Board to Labrador Linerboard Limited. This task force will report on the annual allowable cut, the cost per cord of on island wood, and reflect the effect of the spruce budworm infestation. The possibility of a joint woodlands operation to supply wood to all three mills is a matter which the task force on wood supply will address.

(8) The cost per cord of purchased wood was approximately the same as the cost of wood from the Company's own woodlands operations in the fiscal year ended March 31, 1976.

(9) See attached.

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY

FOR THE PERIOD:

3:00 p.m. - 6:00 p.m.

MONDAY, MAY 2, 1977

The Committee resumed at 3:00 P.M.

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

The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, when the Committee rose at one o'clock we were debating the pros and cons of reducing the number of members in the House of Assembly by at least ten. There is too much overcrowding here now, Sir, and the people are not getting the value for their money, and not only that, Sir, I went on to say that I thought that the Cabinet should be reduced down to a maximum of fifteen.

Now, Mr. Chairman, I want to dwell for a few moments on the Office of Parliamentary Commissioner. There are two servants, Sir, who are responsible only to this House; one is the Auditor General, and the other is the Parliamentary Commissioner - they are the only two public servants who are responsible directly to this House.

MR. SMALLWOOD: They are employees of the House.

MR. NEARY: They are employees of the House. And we have already I suppose dwelt to some degree with the report of the Auditor General, and, of course, the Auditor General in his report this year, as in keeping with past tradition, complained about the fact that he did not have sufficient staff, and that may or may not be true, perhaps the minister -

MR. DOODY: The Auditor General has not got all of the positions filled down there.

MR. NEARY: The minister tells the Committee that the Auditor General has not filled all the positions that are available. Well, Sir, we only got about 65,000 Newfoundlanders unemployed, and I am sure that out of that 65,000 Newfoundlanders the Auditor General should be able to find a few apprentices, a few trainees, a few people that he can train to be auditors in this Province.

MR. DOODY: The salary range is a problem.

MR. NEARY: The salary range, Sir, may be a problem, I do not know. I do not know what the salary range for the various classifications is, but I would submit it is better than welfare, it is better than

Mr. Neary: unemployment insurance benefits, and that is foolish, silly nonsense to say that the Auditor General has not filled all the positions that are available. Well maybe he has not, if he has not then it is not the fault of the Minister of Finance, and it is not the fault of the government. God only knows, with all of the training programmes that are going on in the vocational schools, in the College of Trades and Technology and in the University that the Auditor General should be able to get a few trainees, a few apprentices to train as auditors in this Province. You know, nevertheless even if he fills, if the Auditor General fills all the positions, I presume that he will still complain that he does not have staff enough to do the job that needs to be done.

So that brings us on, Sir, to the Office of the Parliamentary Commissioner. Now, Mr. Chairman, I would hope that somebody on the government side, the Government House Leader, the Minister of Justice or the Acting Premier or whoever may be in their seat this afternoon, will be able to tell me and the Committee whether or not the government have plans to expand the terms of reference of the Parliamentary Commissioner? We are discussing the Parliamentary Commissioner's salary, the office of the - which is really the Ombudsman - we are discussing the salaries and the expenses of the Ombudsman, but yet we do not have the report for last year, for the last calendar year. I believe the Ombudsman reports for the calendar year - no, he reports for the fiscal year, that is right, we do not have the report before us yet. But I am sure when we do, Sir, that we will discover, as many of us have already in our day-to-day dealings with people who have problems throughout this Province, we will discover much to our dismay and to our dissatisfaction that the Ombudsman is not really doing the job that the Ombudsman should be doing in this Province. That the terms of reference of the Ombudsman are too restricted, too limited in scope, that the Ombudsman really can only correct mistakes that are made by the ministers of the various government departments. And that is the way I see it, Sir.

Mr. Neary: The Ombudsman is really, under the present legislation, under the present set up, the Ombudsman really is merely correcting mistakes that have been made by ministers of the administration who are too stubborn for one reason or another to correct their own mistakes. Maybe in some cases they are listening to the bureaucrats, they are listening to their deputy ministers, and the assistant deputies and the high ranking officials of government who seem to have a stranglehold on this administration, and it is not, as I said so often,

Mr. Neary.

the elected representatives of the people who run this Province. It is the bureaucrats and the crowd that John Crosbie and a few of them brought over from Memorial Univeristy who are running this Province and not the elected representatives of the people. They merely rubber stamp what the bureaucrats want them to do. And so the Ombudsman, Sir, really is not serving the purpose for which that position was intended in this Province. And I would like for one of the ministers - I do not care which one it is if we can one or two of them in their seats long enough to spend a few minutes on this heading 203, the Office of the Parliamentary Commissioner, which is the Ombudsman - to tell us whether or not the terms of reference of the Ombudsman are going to be expanded to include other matters outside of just correcting mistakes by ministers.

I have people coming to me every day. Maybe they come more so to me than to any other member of the House, because I am not attached to any political party, and they sort of look upon me as an unofficial Ombudsman who can look at things fairly and squarely. And these people are completely frustrated over the fact that they cannot get their problems satisfactorily resolved. And we have a case before us now, Mr. Chairman. We have the case of that appointment on the Southern Shore where the Minister of Transportation and Communications ignored the recommendations of the Public Service Commission and appointed a gentleman as foreman in the Department of Transportation and Communications who is junior to the man who was number one on the list, number one recommendation by the Public Service Commission. The number one man was ignored. The man with the experience and the man who had been acting foreman was ignored in favour of another gentleman who, we are told, by the Minister of Transportation and Communications had his Grade XI. Well to that I say, So what? I know people on the government side of the House who are ministers, Ministers of the Crown, who do not have their Grade XI. Do hon. gentlemen realize that? Yet the Minister of Transportation tells us that in order to be a foreman

Mr. Neary.

down on the Southern Shore he had to pick a man who had his Grade XI, when we got ministers in the government who do not have their Grade XI. But I am not disputing that. I say, to that, So what? As far as I am concerned the best school in this world, the best experience is the university of practical experience as far as I am concerned, and that is why I am condemning the Minister of Transportation.

This fine Newfoundlander, this family man, this decent Newfoundlander down in Brigus South has no recourse. There is no point in him going to the Ombudsman. There is no point at all. He will just be told, I am sorry, there is nothing I can do about it. It is outside of my terms of reference.

So, Mr. Chairman, you can multiply that by 1,000 a year, people who have problems, who cannot get their problems resolved because they have nobody to turn to. There is no point in them turning to the majority of elected representatives of this House, because they will probably just ignore them anyway or pawn them off or turn them over to some executive assistant or turn them over to some bureaucrat and frustrate them so badly that they feel like going out and leaping off the edge of a cliff.

So, Mr. Chairman, I will be interested in finding out if the government have any plans for expanding the terms of reference of the Ombudsman, and when we are going to get the report. We are asked now - the government are asking us to approve of the salary and expenses for the Ombudsman. And it is going up - let me see - it is going up by \$9,300 a year, the salaries and expenses for the Ombudsman. It is going to be increased by \$9,000 a year. And yet we do not have the report in front of us, and we are not told whether the terms of reference are going to be expanded so the Ombudsman can do the job that he wants to do. I am sure the Ombudsman, Sir, is just as frustrated as members of this House, because I brought a number of matters before the Ombudsman myself that I thought fell within his terms of reference only to get a letter back telling me,

Mr. Neary.

"I am sorry but drawing the fine line, and there is nothing I can do about this, nothing anybody can do. The person will just have to suffer it out because it is not in my terms of reference." We may as well, Mr. Chairman, we may as well wipe out the position of Ombudsman rather than leave it the way it is. Wipe it out altogether, get rid of it altogether or do something about it. But to leave it like it is, Sir, is nothing but hypocritical. And it is time we faced up to reality, Sir.

MR. MURPHY: How many actual members of the House have had dealings with the Ombudsman?

MR. NEARY: I have. I have had a lot. I have had a lot of dealings with the Ombudsman. And, Mr. Chairman, I want to make it perfectly clear that I find the gentleman in that position, who happened to be a former colleague of mine, not on the same side of the House, on a different side of the House, I find that gentleman to be most co-operative, most co-operative, Sir. And I believe the hon. gentleman is sincere and would like to do a good job, but his hands are tied behind his back.

MR. CHAIRMAN: Order, please!

I remind the hon. gentleman to my right the noise is - the same rules apply when the House is in session as in Committee.

MR. NEARY: Thank you, Mr. Chairman.

So I would say, Mr. Chairman, if we are going to pay out \$92,800 for this office that we open it up and let the Ombudsman do the job that he should be doing.

Now, Sir, having said that there may be other members and if not, Sir, I can come back at it again, but I am satisfied to yield now to any other members who wish to comment on some of the remarks that I have made or provide some input of their own. If not I will come back at it again.

MR. CHAIRMAN: The hon. member for Burgeo - Bay d'Espoir.

MR. SIMMONS: Mr. Chairman, I want to say a few words.

First of all I want to rise and take the bait which was so ably put out by the member for St. John's Centre (Mr. Murphy) just before lunch. He, as he often does, sees that we are having a rather slack morning, a rather quiet morning, and he, not wanting that kind of quite atmosphere, stirs us up a bit. He did just before lunch. I wish he had done it about 12:30 P.M. instead of 1:40 P.M. so we had time to respond in kind. But we will do it anyway so much as we can, given the fact that we have had a break since 1:00 P.M. and some may not remember or may not have been here to hear the bile which emanated from the member for St. John's Centre (Mr. Murphy).

MR. MURPHY: Mr. Chairman, if I may, I rise to a point of personal privilege. I do not think I emitted any vile. I quoted some facts.

MR. SIMMONS: Oh, no, bile was the word, b-i-l-e.

AN HON. MEMBER: That is worse.

MR. SIMMONS: I know it is worse, but it is true. He said it.

MR. MURPHY: Mr. Chairman, I am speaking for my rights, and only one member is permitted to stand at a time.

MR. SIMMONS: And I am standing.

MR. MURPHY: I would like to have the privilege of being heard.

MR. CHAIRMAN: A point of order has been raised.

MR. SIMMONS: Oh, I see.

MR. MURPHY: Do not tell him to sit down. Tell him to lie down.

MR. CHAIRMAN: Is this a point of order.

MR. MURPHY: Yes. A point of personal privilege - accusing me of uttering bile or vile or whatever it was. I do not think I did. I just quoted some facts and figures, Sir.

MR. CHAIRMAN: I feel it is a difference of opinion between two members, and I would ask the hon. member to continue.

MR. MURPHY: That is a difference of opinion, Mr. Chairman.

MR. SIMMONS: Thank you, Mr. Chairman.

My friend for St. John's Centre (Mr. Murphy) may not approve of my vocabulary, but he must admit that it is fairly accurate. It is fairly accurate when it sums up what he had to say just before 1:00 P.M. He got on this nonsense about how -

MR. COLLINS: Come on, get it out of you, boy.

MR. SIMMONS: Oh, there he is, the sometimes Minister of Health.

MR. MURPHY: The hon. gentleman wanted more than seventy-five hours, and there he is on his feet now this hour and said nothing.

SOME HON. MEMBERS: Oh, oh!

MR. SIMMONS: Now, Mr. Chairman, I am tempted to ask the Chairman for some protection but it is not often we hear from those fellows, Mr. Chairman. The Minister of Health we seldom hear from him, and anything he says in this House is a contribution, Mr. Chairman, just about anything.

Now, Mr. Chairman, I want to go back to what was said just before lunch about the great amounts of money that is voted to the Opposition. I am the first to concur with the member for Twillingate (Mr. Smallwood) that by comparison with what was, there is now a fair amount. There is a substantially increased amount. There is no question about that. But let us not let the member for St. John's Centre (Mr. Murphy) mislead us about how generous are the amounts, I would suppose, Mr. Chairman - not suppose - I know that we are still, of all the Houses of Parliament in Canada, we are still the one with the distinction of having the least facilities for our members, be they

MR. SIMMONS: government members or opposition members. I make no distinction here. We are still the House, we are still the Assembly or the Legislature or the Parliament in Canada with the least facilities and secretarial services for our non-executive council members, members who are not in Cabinet.

MR. PECKFORD: And the least money.

MR. SIMMONS: It goes without saying, as the member for Green Bay (Mr. Peckford) so well said, that whenever you make a statement like that you must relate it to the financial reality. I am not at all begging that question. But to hear the member for St. John's Centre (Mr. Murphy) prate off as he did this morning, one would get the impression that somehow we were flush with money and that somehow we over here were getting an undue advantage in terms of research capability and so on.

Well I say to him, Mr. Chairman, if he wants to do some figures, let him look at the Salary Detail Schedule, page 5, and look at the allocation for the Opposition office. I would assume that the Opposition office - 'Steve,' is your vote separate from that? -

MR. NEARY: No, I do not think so.

MR. SIMMONS: It is in that Opposition, yes.
Okay.

AN HON. MEMBER: Page 5, is it?

MR. SIMMONS: Page 5, the bottom, Opposition office \$130,000. That is salaries, including research salary, in respect of eighteen people. I am sorry, twenty people, the entire Opposition side.

MR. MURPHY: Fourteen I have.

MR. SIMMONS: No, no, I am saying that that is the staff people. But I am saying that the \$130,000 is intended to serve the twenty people on this side

MR. SIMMONS: including the two Independent members. All right? Now if you look directly above that you will see the government member's office which is only \$64,000, only half that amount. Let us look at who it serves. The member for St. John's East (Mr. Marshall), the member for Mount Scio (Dr. Winsor), the member for St. John's North (Mr. J. Carter) and the gentleman who sits beside him -

AN HON. MEMBER: Placentia.

MR. SIMMONS: No, before that. Who are we missing here?

MR. DOODY: Bay of Islands.

MR. SIMMONS: - the member for Bay of Islands (Mr. Woodrow), Placentia (Mr. Patterson), Bonavista North (Mr. Cross), - that is six - the two next gentlemen have secretarial services available to them in the Premier's office so we will not count these. Number seven we count, the member for St. John's South or Kilbride now, as he is (Mr. Wells). The member for Exploits (Dr. Twomey) is eight, and the member up here for Harbour Grace (Mr. Young) is nine, and the member for St. John's South (Dr. Collins). Ten members at most, because all the rest are either parliamentary assistants, executive assistants or ministers.

So here we have a situation Mr. Chairman, where ten members at most have \$65,000 worth of salary being paid out in respect of them and twenty members have \$130,000. So what is the minister raving about?

MR. MURPHY: Because -

MR. SIMMONS: What is the minister raving about?
It works out nicely.

MR. MURPHY: Because with three members in the Opposition certainly Heavens we needed more assistance for

MR. MURPHY: research than seventeen over there, did we not?

MR. SIMMONS: I cannot help it if man for man the three members did not give as good opposition as the twenty do now. I cannot help that. I cannot help that at all.

MR. MURPHY: Well done, 'Roger', I knew your mentality long ago. Carry on.

MR. SIMMONS: Who told him? Who told him?

MR. MURPHY: Carry on.

MR. SIMMONS: Mr. Chairman, you see I walk into the trap so nicely put by the member for St. John's Centre, the old red herring approach to things.

MR. MURPHY: The herring stinks. I cannot -

MR. SIMMONS: Is there any way of shutting up that fellow at all? Is there any way of shutting him up at all?

MR. DOODY: That hon. fellow.

MR. SIMMONS: That hon. fellow, huh?

MR. WHITE: Beer prices went up.

MR. SIMMONS: Oh yes! Did they? Is that right? The price of beer went up? The price of beer, the poor man's champagne -

MR. MURPHY: No money comes out of my department for beer. Forget beer.

MR. SIMMONS: What is the Minister of Garbage talking about now? What is it, Mr. Chairman, the minister responsible for garbage is talking about now? What is it?

MR. MURPHY: Come on, tell us all about it.

MR. FLIGHT: The poor man's champagne.

MR. MURPHY: That is right.

MR. SIMMONS: God Almighty, I did not know I was so popular with that fellow.

MR. MURPHY: (Inaudible) on you behalf -

MR. MURPHY: also.

MR. SIMMONS: Mr. Chairman, who winds him up?
Who winds him up?

MR. MURPHY: Who sits him down? That is
the bigger question.

MR. SIMMONS: Is he sitting down? That is
the question.

MR. MURPHY: Oh my! Come on 'Roger',
time is awasting.

MR. SIMMONS: Mr. Chairman, I have all the
time in the world. If I cannot do it in this twenty
minutes I will get up again. As soon as that member
decides he has had enough prating around we will go on
with the subject.

MR. MURPHY: Who is the Opposition office
accountable to for their expenses? Are they accountable
to anybody?

MR. SIMMONS: What in the Lord is he -

MR. MURPHY: Who are they accountable to for their expenditures, the Public Accounts Committee? I do not know. I am trying to find out. I have as much right -

MR. SIMMONS: Do not make such a fool of yourself boy, for Lord's sake.

MR. CHAIRMAN (Young): Order, please! Order, please! I would ask the hon. member to be more relevant.

MR. SIMMONS: The hon. member to be more relevant!

MR. MURPHY: I asked a question of the member. We are in Committee.

MR. SIMMONS: Well ask the question. What is the question?

MR. MURPHY: Who are you accountable to for spending your money?

MR. CHAIRMAN (Young): Order, please! The hon. member -

MR. SIMMONS: I will permit a question, Mr.

MR. CHAIRMAN (Young): - to my left -

MR. SIMMONS: I will permit a question, Mr. Chairman.

MR. CHAIRMAN (Young): - must be standing when he speaks and the hon. member from Burgeo - Bay d'Espoir -

MR. MURPHY: Not in Committee, Sir. We always said -

MR. ROBERTS: I will consider him as standing.

MR. SIMMONS: I will consider him standing, Mr. Chairman. I will entertain a question. What was the question the member had? Did the member have a question?

MR. H. COLLINS: Obviously. Stop acting the fool.

MR. MURPHY: Pity it is not televised. I am not saying a word. My few words are over.

MR. SIMMONS: I know you are not saying a word, but you are doing an awful lot of talking.

Mr. Chairman, I believe the question the member put was who is the Opposition responsible to. Well I should not even condescend, I suppose, to answer. He knows darn well, he knows very well that if he has something on his chest about how the Opposition money is spent this is the place, under this particular vote, this is the place. The Opposition expenditures are answerable to the House. If he has some questions - what was that 'Graham'.

MR. FLIGHT: We are responsible to the House.

MR. SIMMONS: That is right. Exactly.

In addition to being responsible to the House during Committee, right now, for these expenditures, we are also proud to be responsible to the people of Newfoundland or the more than half who sent us here, in terms of percentages. So we make no apologies for the money we spend and I think we spend it fairly responsibly. Our one beef is that we do not have enough money, particularly in the area of research, to do the things that need to be done. That could be gotten around a bit if information were more forthcoming from government. That does not seem to be the case so hence the need for fairly expanded research capability.

I listened with some interest to what the member for LaPoile (Mr. Neary) had to say about the Ombudsman, or the Parliamentary Commissioner. I too would like to know what he is doing. I would like to get some clear indication of whether we are getting our money's worth there. I believe now - what is it, a couple of years 'Steve' he has been in? Two years?

MR. NEARY: Yes.

MR. SIMMONS: Yes. I believe after a couple of years it is time to ask the question.

AN HON. MEMBER: He gave an excellent report though.

MR. SIMMONS: Oh it was an excellent -

MR. NEARY: Very numerous, but I doubt if he solved many problems.

MR. SIMMONS: An excellent report. If you counted the words and the jokes in it, it was a beautiful report. But what I would like to know is what of substance is being done? I must say, as a taxpayer I am not sure yet I am getting my money's worth. Now one can wait awhile, but how long do you wait? I believe in two years we should by now have had some indication.

If his terms of reference are too restrictive well then the question I have for - what minister is responsible here? Is it the -

MR. NEARY: The Minister of Justice.

MR. SIMMONS: It comes under Justice, does it?

MR. NEARY: I think it does, yes.

MR. SIMMONS: Perhaps the appropriate minister or the Acting Government House Leader can answer a question which -

MR. PECKFORD: Your time will soon be all gone.

MR. SIMMONS: How near are we, by the way?

MR. CHAIRMAN (Young): Five minutes left.

MR. SIMMONS: Oh, well I will put it quickly. I did not realize that.

MR. NEARY: Five minutes left?

MR. CHAIRMAN (Young): Yes, the hour is up in five minutes.

MR. SIMMONS: Oh I see. Okay. Well very quickly. I am sorry, I did not at all realize that. I had forgotten. The question I had, really, is has the government received any representation from the Ombudsman for broader terms of reference? Perhaps in

MR. SIMMONS: view of the shortage of time I will sit down without putting one or two other questions that I had. Perhaps the Minister of Mines and Energy could address himself to that before we conclude debate on this item.

MR. CHAIRMAN (Young): The hon. the Minister of Mines and Energy.

MR. MURPHY: I would like to hear you on that -

MR. NOLAN: I would like to speak but I would rather not now because I will interfere with the minister responding. There are only three minutes left. It is not fair, I do not think.

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN (Young): The hon. the Minister of Finance.

MR. NEARY: Well somebody respond.

Responding is giving pleasure.

MR. DOODY: There is not all that much that you can get in there in three minutes, Sir. The Ombudsman's Report for this year, as has been pointed out, has not been tabled in the House. It has not been received as yet and I am sure that it will be shortly. At that time, perhaps we can get into a detailed discussion on to whether or not it is practical or reasonable or sensible to expand the office, to expand the powers of the Commissioner, or to examine the whole operation to see if it is in the best services of the people of the Province to continue the office of the Parliamentary Commissioner. The office has only been, as has been pointed out, in being for the past two years. We have had one report.

As the Ombudsman pointed out himself, he is very

Mr. Doody.

grateful for the opportunity to get the coverage that he did from the Opposition of the day because of the criticism of his appointment. Since that time he has managed, I think, to perform very well indeed. Whether his terms of reference should be expanded is a subject that we could look into and one that is worthy of debate. I do not think we are going to be able to manage it here today. There have been some small improvements in his vote this year, and it is mainly for travelling. He wants to make his office better known to parts of the Province where, as has been suggested, he has had no exposure and he wants to let the rest of the Province know that he is available. As for the gentleman himself and the job he is doing within the terms of reference, I do not think there is anybody in this House who can question the excellence of his work. If there are questions they are on the terms of reference which has been suggested may be too restrictive. There have been other questions asked on the Legislative vote. The note that I have on the number of staff for the - and I am afraid the Chairman is going to tell me to sit down before I get a chance to answer these things.

MR. NEARY: You can table it.

MR. DOODY: Yes, I can do that. That may be the sensible thing to do if I get cut off in midstream.

The salaries of the Legislative vote are \$404,000. Of these there is a Legislative office which has two members, \$27,000, Legislative library two people, \$25,000 government members' office, seven people, \$64,000, Opposition office, fourteen, \$130,230; Legislative debates \$227,000; Fansard \$80,000, overtime extra assistance \$13,000; anticipated increase this year of \$29,000 which brings us up to \$404,000. And then there are the allowances which is the next section and the biggest

Mr. Doody.

part of that vote which allowances are paid to the Speaker's allowance, the Speaker's entertainment, the members' sessional indemnity, travel expenses, special travel allowance by category, district allowance, daily allowances, commuters' allowances, and this has caused some confusion, because there are no two people in the hon. House now who get the same income. I am sure of that. There are other allowances; Chairman of Committee, Leader of Opposition, Deputy Chairman of Committee, the Government Whip, the Opposition Whip, and there is a car allowance for the Leader of the Opposition, the Clerk of the House, the Law Clerk, the Assistant Law Clerk, Sergeant-at-Arms, messengers, pages, constables on duty, Hansard Reporters and so on.

MR. NEARY: What is the car allowance for the Leader of the Opposition?

MR. DOODY: The same as a Cabinet minister. I think it is \$3,000. But then, of course, they get no mileage allowance or other allowances.

MR. NEARY: Does the Leader of the Opposition get the same salary as a Cabinet minister?

MR. DOODY: Yes.

MR. NEARY: What is the salary?

MR. DOODY: What is the salary of a Cabinet minister?

MR. MURPHY: I could not tell you, Sir.

MR. DOODY: Each department's subhead has its minister salary there .

MR. MURPHY: \$13,240.

MR. DOODY: Is it \$13,000 now?

MR. MURPHY: That is what is on mine anyway.

MR. DOODY: Well that is what it is. And the Leader of the Opposition is the same.

Anyway there is not a great deal more that can be said about that. The members of the Opposition, you know,

Mr. Neary.

are getting a great deal more than the previous Opposition got in terms of assistance and help, and I would hope that this tradition continues in the House because hopefully there will always be an Opposition, as always there will be a government, and they cannot operate without funds. I think the secret of the whole thing is to use the funds wisely and well and in the best interests of the Province. And to whom they are accountable to, I would suggest that they are accountable to themselves, to their conscience and to their constituents. And other than that, Sir, I cannot really add anything to the Legislative vote, because it is a relatively small one, although it is an important one, and I think I have probably gone over the hour now.

MR. CHAIRMAN: Two minutes.

MR. DOODY: The Department of the Auditor General which was mentioned earlier, once again that is in - if hon. members want to look at the departmental salary details which were tabled at the same time as the budget document they will notice that there is on page seven

MR. DOODY: Department of the Auditor General, pages 6 & 7, there are a number of positions. It is by far the largest staff that the Auditor General has had to date. You will notice there is a deduction of \$32,800 which is for new positions, reclassification, salary adjustments and reduction for vacant posts and late recruitment, which simply means that these posts are available but the Auditor General was unable to fill them. If he fills them during the coming year these monies will be made available to him and if he comes in with an extra - demonstrates the need for extra people - then certainly we will make them available to them in the same proportion that we make them available to other departments. I realize the Auditor General's position is a most important one and one that has to be given special consideration. Of course, it has to be taken once again in the context to the overall salary bill of the province.

And we just cannot throw extra positions in there if they are not going to be filled. If they are filled then we look at extra assistance. Undoubtedly his staff is overworked, there is no question about it.

MR. NEARY: What is the problem these posts are not filled?

MR. DOODY: The positions are not filled because of the fact that the salary classifications for auditors, accountants and so on in the Province of Newfoundland are below that in other parts of Canada and we cannot compete with the Federal Government. That is what it amounts to.

MR. NEARY: Can they not bring people in and train them?

MR. DOODY: Yes, After you train them, where do they go? They go down to DEEE or go down to -

MR. NEARY: You do not leave them vacant.

MR. DOODY: They go to this place and that place and the other place. Every man and every woman, you know, has a right to try to make as much money or income as she or he can.

MR. NEARY: That is an awful fatalistic attitude to take.

MR. DOODY: It is not fatalistic, it is an acceptance of the facts

MR. DOODY: of life that if somebody - guillotine!

MR. CHAIRMAN: Order please! Shall I report Item II Legislation carried?

All in favour, aye. Contramindeed, nay. I consider it is carried.

Item IV . Finance 401 -01.

MR. CHAIRMAN: Hon. member for Bay d'Espoir.

MR. SIMMONS: Mr. Chairman, the obvious thing that hits you in the face as you look at the Department of Finance, and the salary details which relate, is the number of fairly high salaried positions. I have not had a chance to do a detailed breakdown. Just picking some items at random you can see that the doctrine of restraint is being applied very selectively. While it is being applied to the people of Stephenville, being applied to various social services throughout the province, it is being applied to road construction in my district, it is being applied to artesian wells in various districts, it is being applied in so many areas, somehow the Department of Finance, and the Planning and Priorities Secretariate and those -

MR. DOODY: That is not one.

MR. SIMMONS: I realize that, I said, "and the Planning and Priorities Secretariate," those areas somehow escaped the restraint. What puzzles me is while they escaped the restraint of the government, how they are escaping the notice of the anti-inflation board and that is a question which in itself needs to be raised.

I looked around, I cannot find the sorry details for the fiscal year immediately preceeding, but taking the one for 1977-78 and comparing it to two years ago, the one for 1975-76, just to pick completely at random, the second item in the sorry detail, the Special Assistant to the Minister, I could not even tell you who that is, I have no idea in terms of names. But there is a \$4,000 jump there in the two year period, and if my percentages serve me at all well it is a fairly heft jump from \$14,000 to \$18,000 in the two year period. And if one

MR. SIMONS: were to look at other similar positions throughout the bit I think you would find, indeed I found two or three others just a moment ago, I did not mark them but I believe the

MR. SIMMONS:

point is made that somehow while we have restraint in so many areas of government, in the area of salary of some of the fairly well paid staff there seems to be no restraint whatsoever. There seems to be just a carte blanche attitude. And I detest this as a taxpayer and as a member because there are the same two rules being applied, one rule for us and one for them. And you cannot inspire any public confidence in government or in the need for restraint if you have this devil-may-care attitude when it comes to your own salary, you in government. That bothers me and I believe the minister should do some answering on that score.

Another question which needs to be raised at this point in time is what kind of money is the government lashing out and have lashed out over the past few years for studies of various sorts? Again I have nothing against studies as such if they are preliminary to some action. Three or four years ago the government authorized the now famous study in Bay d'Espoir, the Research and Productivity Council of New Brunswick Study. And that study, which must have cost the taxpayers of this Province a small mint, it was a 200-plus page report, has been sitting on a shelf for three or four years. Nothing has been done about it. I would presume the bill for it has been paid. And that study was announced as being preparatory to a great development of Bay d'Espoir. Indeed the announcement read something like this, "A major study to assess the industrial and rural development opportunities in the Bay d'Espoir area is underway. It is being carried out by the Research and Productivity Council of Canada. Ordered by your P.C. Government's Industrial Development branch, the survey will study the viability of a primary fish processing plant at St. Alban's and will also ascertain what other activities can be carried out in the area successfully with the help of the P.C. Government's Rural Development Programme and the assistance of the Newfoundland

MR. SIMMONS:

and Labrador Development Corporation." And it goes on to list the details of the study, forestry, mining, secondary fish processing, handicrafts, boat building, etc. Then the statement continues, "The Premier, Frank Moores, says that this survey is an important first step to the full development of this area. And he also said that the committee has been requested to put special emphasis on fish products and fish processing. The district is in a key location as far as our future fishery is concerned, and he (the Premier) is anxious that all possible be done to expand and develop the great fishing potential of the area." I read that for a couple of reasons; one, for the edification of the present Minister of Fisheries that his Premier, his leader in government has made a firm public commitment in print to the development of the fisheries potential of the Bay d'Espoir area. And I think it is fair to say without at all playing politics with it, Mr. Chairman, I think it is fair to say that not one single step has been taken in that direction by this particular administration, not one step, nothing, absolutely nothing.

I know of no visit that the Minister of Fisheries has ever made to Bay d'Espoir. I know of no announcement he has ever made with respect to fisheries in Bay d'Espoir. I am not aware of any memorandum or any letter or any kind of correspondence which since he has been in office he has issued. Now we will give credit where credit is due. The present Minister of Fisheries has been one of the more active Ministers of Fisheries, and I believe in many respects, active in the right directions. That is not to say we condone or agree with everything he does. But it is to say that I would rather have a fellow doing things and making some mistakes in the bargain than doing nothing. And this minister at the very least is fast getting the reputation for being a person who will run the risk of making mistakes to get some things done. But in that doing, in all the activity that he has been identified with since he assumed office, I do not believe he has made one single utterance about the fishery in the Bay d'Espoir area. That, Mr. Chairman, notwithstanding the fact that his Premier - the guy

MR. SIMMONS: whose office he hopes to usurp or assume fairly soon, I am told—but notwithstanding the fact that his Premier, the Minister of Fisheries' Premier, has made not only a public statement as to the government's commitment to fisheries development in Bay d'Espoir but has also authorized a fairly expensive study, and that study has identified some of the detail of the direction in which that fisheries development ought to go. Now I will just use that. I could get off on that for some time, Mr. Chairman, but I have very limited time right now and I use it therefore just as an example of the larger question. That is one case of a study, a 250 or 260 page study, beautifully done, with all the appropriate tables and documentation, and all the expensive research capability that went beyond it, that is an example of just one study that was produced and then shelved, and as the present Minister of Finance will remember when he was Minister of Industrial Development and I asked him many questions about this study and he subsequently to his credit gave me a copy of it.

MR. DOODY: But you said at the time I had not tabled it or had not got it.

MR. SIMMONS: No, no! Correction. What I did say, and I can show the minister this in writing because I wrote a letter about it to the councils in Bay d'Espoir, what I did say was that the study was dated - the preliminary study was dated January, 1974, the final study, I believe March 1974 and he gave it to me in April 1975. He gave it to me fourteen months - sorry fifteen months after the preliminary study was in his hands and fourteen months or thirteen months after the final study was in his hands. That is what I said. And during the time I was asking questions about its availability the report had already been received by government. Subsequently to his credit he gave it to me, all he it was fifteen months after government had it and it was April 1975 since I received it. That is another two full years, plus the year the government had it, it is three years now and the government has done nothing whatsoever either about the

MR. SIMMONS: recommendations having to do with the fishery or the other recommendations. And again now that is just an example of a case where an expensive study was done. You can take the case of the much more expensive study done in Labrador, the Snowden Royal Commission Report. I am sure members do not particularly want to hear the litany again - people are familiar, members of this House, of this committee are quite familiar with the great stack of studies that have been done: The Buchans Taskforce, the Lower Churchill studies, so many of them, literally - I was going to say dozens of studies, perhaps not those many but certainly a dozen major studies costing the taxpayer of this Province tens of thousands, hundreds of thousands - I was going to say perhaps \$1 million or so altogether; I do not know what the total final cost might be. And that is really my first question to the minister: Does he have any idea of how much the formal study, the study done outside the department, a study that has been farmed out to RPC or to some other group of consultants, any idea of what amount these studies have cost the taxpayer and in particular what amount those studies have cost the taxpayer, those studies about which nothing has been done? And a clear case in point is the one involving the development opportunities in Bay d'Espoir.

Now, Mr. Chairman, there are going to be other opportunities during the two hours to say some things addressing itself more broadly to the policies of the Finance Department and also during the Budget Speech but I did want to get these two things off my chest. The high paid staff and also the matter of the studies about which nothing has been. And let me say one other thing before I sit down; it is this. The position of Deputy Minister of Finance is in itself a very, very fulltime job and I believe we ought to be looking at our legislation which provides that the Comptroller and the Deputy Minister of Finance shall be the one person. I think, first of all, it is a very blatant conflict of

MR. SIMMONS:

interests in that the Comptroller is to see that the money is spent within the law, the Deputy Minister of Finance to see that programmes are expedited and very often the Comptroller has to determine, has to sit in judgement over the actions of the Deputy Minister of Finance. And it gets - well let me put it this way. When the member for Mount Scio (Dr. Winsor) and the clerk and I were out looking at Public Accounts Committees I asked this question about Deputy Minister of Finance and Comptroller embodied in the one person. And usually before I got a straight answer I got a snicker, and the snicker was basically "Are you serious, are you putting us on? Is that actually the case? Can that really be the case?" And I have

MR. SIMMONS: no unkind remarks to say about the present holder of that office, that is not at all the point. I am sure people who follow me in this debate may construe it as being the point but it is not the point. And I say, Mr. Chairman, whoever holds that position is placed in a very blatant, a very uncomfortable conflict of interest position. There is no way that a man can be at once answerable to this House by statute as Comptroller, and the other half of him answerable to a political administration. It just defies the laws under which we operate. It is just not fair ball to ask the guy to do it. He cannot do it. It is impossible to do it because there is a basic conflict between the two parts of the assignment. Now various provinces have handled it in various ways, and I am not at all any expert on that but I am sure if we were contemplating a change it would be very easy to get the appropriate information as to how various parliamentary jurisdictions handles that particular problem.

But I just want to lay out the central theme right now and that is that it is a blatant conflict of interest for a man to be holding the position of Comptroller of the Treasury and Deputy Minister of Finance, it is a conflict of interest, it is that simple. And I do not know why we persist in it. We will hear about who brought it in and that kind of thing. Of course all of that is beside the point. If some one brought it in or some other administration brought it in and we have proven it since to be unworkable or new thinking makes it unworkable, then it is time to review it. And I am not at all married to the idea that if a Liberal administration brought it in we ought to support it. I believe at this particular time we ought to review it and if it is indeed as blatant a conflict of interest as it would appear to be the case that we do something to change the appropriate legislation.

I believe my twenty minutes must just about have expired at this point.

MR. CHAIRMAN: The hon. member for St. John's East.

MR. MARSHALL: Due to the fact that we are doing the estimates on the minister's salary first and we may get towards the end of it there are a few observations I would like to make that otherwise would be reserved when the specific subhead came up.

The first thing is on Crown corporations, I notice here a vote of some \$26 million for the Labrador Linerboard Limited. I also note that I recall the hon. minister in the Budget Speech indicated that-I do not know whether it was a definitive statement that there would be a full debate, There is to be a full debate?

MR. ROBERTS: There is a bill before the House.

MR. MARSHALL: Okay. Well there is a bill before the House.

MR. DOODY: It will be debated Thursday at the latest.

MR. MARSHALL: I see. Okay. Well we can pass on that.

The Newfoundland Industrial Development Corporation, there have been repayments of loans made by Newfoundland Industrial Corporation to the Province and these are loans that have been made through the Corporation. Now without going into every detail in the time available, I wonder would the minister give us an idea which loans are outstanding and -

MR. DOODY: The \$8 million you mean?

MR. MARSHALL: Yes.

MR. DOODY: That is the water rights on the CFLCo. purchase shares.

MR. MARSHALL: The water rights on the CFLCo shares.

MR. DOODY: It was divided \$160 million. I hope the House does not mind these -

MR. MARSHALL: No, that is -

MR. DOODY: It is the quickest way to get through it because we only have a couple of hours.

The \$160 million purchase of shares was divided; \$130 million for the CFLCo shares and \$30 million were assigned

MR. DOODY: to the purchase of the water rights. Every year part of that is refunded through NIDC and this is the \$8 million that has been done this year into the second.

MR. ROBERTS: The government is paying NIDC.

MR. DOODY: That is right.

MR. ROBERTS: The government own the shares, NIDC.

MR. DOODY: That is right, through NIDC.

MR. ROBERTS: The government is buying them from NIDC or maybe - NIDC borrowed the money. What is the point?

MR. DOODY: NIDC borrowed the money and it is being repaid through the - it is being refinanced.

MR. ROBERTS: I have a couple of questions, but the hon. gentleman I do not mean to interrupt him.

MR. MARSHALL: So has all of the \$30 million now been paid?

MR. DOODY: No, this is the second installment.

MR. MARSHALL: The second installment. Now that brings me on to the end, Mr. Chairman, because I do not want to take up too much of the time because I know other people will want to ask questions in the period of time. But I notice towards the end the Gull Island loan and last year there was a \$75 million amount and I believe that is here in supplementary supply, and again that has yet to be debated and will be debated in due course. But I do note an amount of \$2,900,000 -

MR. ROBERTS: Will it be debated yet?

MR. MARSHALL: It has to be debated.

MR. ROBERTS: Is there a bill to authorize it?

MR. MARSHALL: No, I think it is in supplementary supply. I think the minister has given notice of supplementary supply and he indicated when he gave notice of it that included in this -

MR. ROBERTS: But there is no special bill to authorize the government to wack out seventy-odd millions to Gull Island.

MR. MARSHALL: I think that bill was passed over the objection of some people about a year -

MR. ROBERTS: You agree with it too, I guess.

MR. MARSHALL: - a year or a year and a half ago. And this is just to authorize the expenditure, in other words, to approve the borrowing of the money and the supplying of the money, the actual money. But the government -

MR. ROBERTS: But it will be done in sub supply, not in a separate act. Is that correct?

MR. MARSHALL: That is right, yes.

MR. ROBERTS: Is that it?

MR. MARSHALL: But now we have this year, we have an extra amount I notice here of \$2,900,000. Now it was my understanding that when the project stopped the project stopped, and \$75 million was the total cost. And we see now an added amount this year of still another \$2,900,000 for the Gull Island project.

MR. DOODY: The total was \$78 million some of which \$75 million was advanced last year and this is the balance.

MR. MARSHALL: So what I want to know then, that this is payment of additional debt that has already been incurred. -

MR. DOODY: Right.

MR. MARSHALL: - and it is not an ongoing expenditure that is proposed to be made this year.

MR. DOODY: That is exactly correct.

MR. MARSHALL: And the Gull Island project is shut down, period, as was predicted, yes.

MR. DOODY: That is exactly correct.

MR. MARSHALL: So that is all, Mr. Chairman, that I have. The only observations I have to make at the present time except to note that here again we come up with Crown corporations. And I look forward to the debate on the Labrador Linerboard in connection with that. I would hope that in due course, if not in the debate itself, that a complete and full accounting will be given to this House and to the public of the monies that have been expended, advanced to the government and expended for the purpose of operation in due course.

MR. DOODY: Mr. Chairman, this morning there were two documents circulated, a resumé on the advisory board report. And they will go to each individual member of the House. I do not pretend that all the information is there that is needed.

MR. MARSHALL: No.

MR. DOODY: But it can be supplemented as requested.

MR. MARSHALL: But that is a resumé, I understand, then of the advisory board. But I am talking -

MR. DOODY: No, no, there were two documents.

MR. MARSHALL: Two documents. But was there and is there to be a complete report of the monies that are expended and the purposes because at the time that they were voted in the various Linerboard Mill acts it was pointed out at the time that this was a commercial venture and we could not, you know, the usual type of rationale for not giving forth these statements that some people would accept and others would not. But certainly now if the Linerboard Mill is to be curtailed and its operations are to be curtailed, there is no real reason for not revealing, not only the expenditures of last year, but the full expenditures of each and every cent and the reason why the expenditure was made and what it was made for. So we are going to get that in due course as well.

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

MR. ROBERTS: Before the minister responds perhaps I could raise one or two questions along the same general line of questioning as the gentleman

MR. ROBERTS:

from St. John's East(Mr. Marshall). Let me begin with - we are on 401-01 but I gather in the usual way we are allowing the debate to range fairly freely, Mr. Chairman. So with that understanding I would like to refer to an item that appears in 403-04 and it is an advance of \$8.8 million - I do not know where the minister is gone.

MR. MURPHY: He is just out -

MR. ROBERTS: All right, it is an advance - I assume the minister can hear me even if I do not have the pleasure of seeing him - an advance of \$8.8 millions to the Newfoundland Industrial Development Corporation. Now I wonder if the minister would spell that out. The gentleman from St. John's East(Mr. Marshall) may have understood the information he got but I confess I did not. If we take the purchase price of the CFLCo interest in Labrador - essentially these are of two types, fifty-seven per cent of the shares in CFLCo, and the water rights on the Lower Churchill. I understand the minister to say that this cost has been apportioned, \$130 millions in respect of the shares and \$30 millions in respect of the water rights. Well my first question is on what basis was this apportionment done? How were these shares valued? I do not have a lot of time so I will not go into it. But there are many ways to value shares, I guess, as there are valuers of shares. So what

Mr. Roberts.

need to know quite simply is on what basis the shares were valued? Why were they assigned the value of \$130 million, or alternately why was a value of \$30 million put on the water rights? I just raise the question, and when we get the answer we will see whether more comment is needed.

Now my understanding further is that the shares in CFLCo, the 57 per cent of the shares, have been vested in the Hydro Corporation. That is correct, is it, I ask the minister? So the assets listed on the balance sheet of the Hydro Corporation, which is a wholly-owned Crown corporation, will include the 57 per cent of the shares in CFLCo which we bought, the government, the people, call it what you want, bought from BRINCO and the 3 per cent or 9 per cent of the share interest in CFLCo which the government owned I guess right from the start. But certainly I can recall it from the days when the gentleman from Twillingate (Mr. Smallwood) was the Premier. We held an 3 per cent or 9 per cent interest in CFLCo right throughout the peace.

MR. DOODY: Nine per cent.

MR. ROBERTS: Nine per cent, is it?

So taken together we only now own about 66 per cent of the issued shared capital of CFLCo. My understanding is no more shares will be issued. At least they will not be issued without our effective consent. Okay. Now that is \$130 million, and we have lent? We have lent Hydro \$130 million. Did Hydro purchase these shares or did we just assign them to them? In a sense that is a bookkeeping entry because Hydro has no money other than what we give them.

The \$30 million for the water rights. Perhaps the minister could explain that in just a little more detail. I confess I did not follow. I understand that these water rights

Mr. Roberts.

are now vested in NIDC, which again is a wholly owned Crown corporation. NIDC has bargained \$30 million as the price of these water rights. The minister will tell us by what process that figure was arrived at. I doubt if it was a bargain on NIDC's parts. They were just told that this is the price that we have assigned to them. Well and good. Has NIDC paid anybody for them? If not, you know, who has paid what? The government paid \$30 million to BRINCO.

Mr. John Crosbie used to have a photostat of a cheque on his wall and I believe a picture of -

MR. DOODY: You paid \$160 million.

MR. ROBERTS: We paid \$160 million, but I am only talking about \$30 million at this stage. The cheque was \$160 million but I have only got -

MR. SMALLWOOD: Was it separate?

MR. ROBERTS: Oh, I do not know. As Lord Randolph Churchill said, Those damn dots when you get up to that scale of money. I just paid my income tax so I am in bad shape for large sums of money.

MR. SMALLWOOD: The damn dots.

MR. ROBERTS: The damn dots can mean a lot.

MR. DOODY: It meant a lot of things for Lord Randolph as he said himself last year.

MR. ROBERTS: Lord Randolph, "Ulster will fight and Ulster will be right," he said among other things. He also said, "The duty of the Opposition is to oppose." And if the hon. Minister of Finance thinks for one moment that this Opposition can be difficult, as we can be, he ought to read the story of the so-called Fourth Party, Lord Randolph Churchill, Sir John Gorst, Lord Balfour as he afterwards was.

MR. SMALLWOOD: That man that was not in it is the man he forgot.

MR. ROBERTS: Anyway, Mr. Chairman, between the gentleman for Twillingate (Mr. Smallwood) and the gentleman for Harbour Main - Bell Island (Mr. Doody) one does get led astray into the byways.

The point I am making, Sir, is that I want to know a little bit more about this transaction. NIDC have an asset worth \$30 million, which the government paid for. It was assigned presumably to NIDC in return for what? And why are we now giving NIDC \$8.8 million? What are they doing with it? Did NIDC borrow \$30 million and in turn give it to the government to pay off the amount of the price of the water rights or what? Essentially all I want to know is that I did not follow the information given by the minister to his friend from St. John's East and so I would be grateful to know that. I also wonder if the minister could tell us or give us a list of where the \$13 million went last year in advances to NIDC? The budget only had \$10 million in it last year. There is an extra \$3 million that has gone there.

Mr. Chairman, when we come to the question of Linerboard, which is in 403-03, we will have an ample opportunity to debate the matter, and I will not get into it now. But I wonder if the minister would give the House one piece of information which I think I know the answer to the question, but I want to be sure that we all know, just where the debt of Linerboard now rests in the public accounts of the Province? My understanding is that most of it figures as part of the general debenture debt in that we, the House of Assembly, through the government, have given Linerboard \$100 million, \$200 million, whatever it is, which in turn has gone to purchase their assets.

MR. ROBERTS: Perhaps the minister could very briefly just spell out how much of it is there because I do not want anybody to think, Mr. Chairman, that this \$26 million expenditure shown here is the only money which the government will spend during this fiscal year in respect of Linerboard. Because the truth is, Sir, that they will spend, I do not know, the total from the information given last year is about \$40 million to \$45 million, counting a capital debt of \$300 million with interest and some debt service.

MR. SMALLWOOD: Well the figure they would say for the coming year would be \$55 million.

MR. ROBERTS: No, they said \$55 million if it was to operate.

MR. DOODY: \$39 million without, \$26 million.

MR. ROBERTS: No, I mean I would like for the minister to spell it out.

MR. SMALLWOOD: \$55 million altogether, for everything.

MR. ROBERTS: I think it is more than \$26 million. Well perhaps the minister could spell it out because we have \$26 million here but then you know how much of the -

MR. DOODY: The deferred debts of the other one has been moved into the budgetary section.

MR. ROBERTS: Well it does not show here. Where does it show here?

MR. DOODY: If you look under the appendice of estimated interest and debt retirement you will find that the -

MR. SMALLWOOD: Which?

MR. ROBERTS: Page 132.

MR. DOODY: Yes, that is on 132.

MR. ROBERTS: But all it shows is a list of \$105 millions -

MR. DOODY: In previous issues the Labrador Linerboard Limited debt used to be in there, the Lassard Brothers debt, and -

MR. ROBERTS: Well there could be anything in there. There are thirty or forty or fifty separate.

MR. DOODY: They have been now separated out and put into the budgetary thing rather than that statutory thing and they will be repaid out of that \$26 million vote.

MR. ROBERTS: Is the minister telling us that the only money Linerboard will pay this year to service its capital debt, or the only money the Province will spend this year in respect of the capital debt of Labrador Linerboard Limited is \$18.1 million.

MR. DOODY: That is right.

MR. ROBERTS: Well something does not track at all, Mr. Speaker, because -

MR. DOODY: If I am incorrect on that I will check it out and let you know.

MR. ROBERTS: - the information which the minister tabled this morning from the Advisory Board shows that in respect of the current year, the year ending March 31, 1978, that debt repayment is \$25.9 million, now that is a capital item, and in addition administration including interest was shown as \$19.2 million. I do not know how much of the \$19.2 million is interest and how much is administration but you know that would indicate that considerably more than \$26 million is going to be paid out.

MR. DOODY: I will get these numbers for you.

MR. ROBERTS: And if we take the capital debt of Linerboard as about \$300 million, which I would think is a fair estimation.

MR. DOODY: That is the investment now, not the capital debt.

MR. ROBERTS: Mr. Chairman, this is where the confusion comes in. Linerboard has cost the Province money in two ways; there is first of all the debt which Labrador Linerboard Limited owes other than what it might owe the Province; secondly there is the debt which the Province has incurred in respect of direct loans to Linerboard Limited. Now those two amounts vary. As a rule the amounts which Linerboard owes eventually are paid out of

MR. ROBERTS: money which we the Province advance them, being the shareholders, being the source of funds of last resort, I guess you might say, and I assume that the bill now before the House in effect authorizes the government to put more money into Linerboard Limited and so Linerboard Limited in turn can pay their creditors.

At this stage all I want is the information. Because the information which is in the budget does not square with the information which is in the Advisory Board report. The Advisory Board report shows debt repayment of \$25.9 million. And it has an item on operating costs which is where interest ought to appear, of course, of administration including interest of \$19.2 million. Now those taken together come to \$45.1 million, and I do not have any further breakdown on that so I cannot give the committee any further breakdown on that. But perhaps the minister can. All I am saying is I do not think the \$26.7 million referred to here is the full cost to the Province this year even with the mill shut, or shutting down. I do not want to debate it now but I would like the minister to give us the information as to exactly how much are we involved with the Linerboard in each way? How much is part of the debt of the Province, which we are servicing and which does not show here in 403 or 404 or 40-anything, it shows surely as part of the general debt of the Province. And secondly, how much are we responsible for in that Linerboard have bills which they must pay, capital account or operating account as the case may be; they have no

MR. ROBERTS: money and therefore we must put it in bonds or we will be in default.

MR. SMALLWOOD: Is it not astonishing that you should have to ask for that information now?

MR. NEARY: Yes.

MR. SMALLWOOD: What an astonishing -

MR. NEARY: Up to now you did not ask a question.

MR. ROBERTS: The hon. gentleman said we did not ask a question.

MR. NEARY: I was not talking to you.

MR. ROBERTS: If the hon. minister had a nickel for every time that we have asked in this House, even for something as simple as the financial statements, he would be a wealthy man.

MR. NEARY: I was not referring to you.

MR. ROBERTS: All right. Then I am grateful to the hon. gentleman because the gentleman from Twillingate (Mr. Smallwood) had made an extremely valid point and this is something which we will go in to at some length in the debate: The amount of information which the government have made available on linerboard is scandalously simplistic, is shortsighted, and is really of - this information is anything but complete.

We will have a list of questions. For example, I am told The Daily News this morning - these are reports submitted by sub-committees. Now whether they are accepted or not I do not know. But the information in The Daily News is reports submitted by sub-committees, and I am told, hopefully, copies will find their way into my hands probably through the usual procedure of a blank envelope deposited in - you know, an unaddressed envelope without any indication from whence it has come.

Surely these reports ought to

MR. ROBERTS: be made public. The financial statements are very incomplete on something as simple - and I honestly do not know the answer at this stage - of how much of the linerboard debt, the cost of linerboard is imbedded in the Province's debt and how much at this stage is going to be paid for out of 403-03 and the various subheads there.

Finally, Mr. Chairman, can the minister tell us when, and for that matter by whom, we are going to get some indication of where the \$80 million went with Lower Churchill, the Gull Island project. This may not be the place to debate it, and perhaps the Minister of Mines and Energy is the man who has to answer for this particular outrage, but I am told that \$80 million - some of the stories I have heard, and I do not know if they are true or not -

MR. SMALLWOOD: That was John Crosbie. That was John Crosbie.

MR. ROBERTS: Yes, John Crosbie was the minister responsible -

MR. SMALLWOOD: He is just an unfortunate heir.

MR. ROBERTS: The minister had the unenviable task of - Mr. Crosbie got out when the roof was about to fall in and went off to follow his prospects elsewhere. But I am told that some of the things that went on in connection with the Gull Island project were astonishing, incomprehensible, and impossible to believe had they not been true.

Well, I do not want to get into them in detail. What I do ask now is that the government will give us a complete indication of where the money went. \$80 million gone! It may or may not be recovered at some point. It may be recovered when the Churchill project gets underway, but we may all be a great deal older, Mr. Chairman, before that happens. Meanwhile,

MR. ROBERTS: \$80 million gone! The interest on that alone is more than the vaunted increase in the fisheries estimates this year. All the great leap forward in the fisheries does not amount to as much in a year as the government have wasted. And I say wasted, Sir, because nothing that happened with respect to the Lower Churchill was not foreseeable, could not have been foreseen and ought not to have been foreseen. I say to the gentleman from Exploits (Dr. Twomey) who follows these things carefully, that all the talk of Quebec is beside the point.

Quebec have behaved scandalously, maliciously and we agree on that, but the fact remains that nothing which the Government of Quebec or Hydro Quebec did with Churchill ought not to have been foreseen. Our government here blundered and the price of the blunder is seen here now in these estimates of \$75 million with another \$3 million coming up during the current financial year.

AN HON. MEMBER: Hear, hear!

MR. ROBERTS: So I ask the minister if he would give us this information. This is a short looking estimate. It may look to be quite straightforward but the fact remains, Sir, that included in it are these three vast projects, the Labrador Linerboard, the Upper Churchill - the purchase of the Brinco interests - and the question of the Lower Churchill. At this stage what we need is information because each of these items can be debated under separate legislation. We have legislation now before us, I understand, in respect of Linerboard and I am told this will be proceeded with. It is necessary despite the decision by the government to close the mill. The Churchill thing, I am assured, can be debated on - there will be a Supplementary Supply

MR. ROBERTS: Bill where it will be contained. That is the correct under - there will be a Supplementary Supply Bill obviously, and it will contain this. There will not be a special separate piece of legislation on the Churchill loan?

MR. DOODY: I do not know. Is there a Gull Island Bill coming in? I honestly do not know.

MR. PECKFORD: There is not a bill. There was a -

MR. DOODY: Is there a Hydro Bill of some sort? If there is not it will certainly be in -

MR. ROBERTS: The Hydro Bill has to do with the Public Utilities Board.

MR. PECKFORD: Yes. There are also amendments to the Hydro Act.

MR. SMALLWOOD: But there will be supplementary supply.

MR. DOODY: There will be supplementary supply.

MR. ROBERTS: Yes. And the supplementary supply, thank Heavens, is not within the seventy-five hours.

SOME HON. MEMBERS: Yes, right.

MR. ROBERTS: And that means that we might be able to get a debate going, assuming the government will give us some information. So, you know, I am asking now if we can have this information. And the same with Linerboard, you know, it really it is almost contemptuous - and I do not think the minister means to be contemptuous - it is almost contemptuous to expect the House to talk about Linerboard on the basis of what we have had in the past and this information here. It is really, you so, it is so incomplete, Sir, as also to make one to throw up one's hands and just despair. And the result will be not that the debate will not go ahead, but if we do not get more information than this the result will be that the debate will be off base, it will be incomplete, it is bound to be inaccurate, and I do not think that anybody is served by that; I do not think the government's interest has served, I do not think the Opposition's interests are served, and I do not think the interest of this House or the people of this Province are served. So I would ask the minister to give us some more information. If he wants I will write him a letter and specify some of the things that I would like to have, if I can have them. I do not see any reason why not. There is hardly anything confidential. The thing has gone - bankrupt may not be the correct word - but in a form of insolvency, that is why the government are closing it. It is going to cost the government millions of dollars. It has cost us million. It is going to have horrible social implications for whole of Western Newfoundland, surely there ought to be a case for a complete disclosure by the government of everything that they have that is relevant to this.

You know, I will not get into it now but we have heard some horror stories.

MR. SMALLWOOD: They are not denying that they should be.

MR. ROBERTS: No, they are not denying, they have not produced it yet, And all I am asking the minister is to produce, if he would please, the information, the task force reports, the financial statements. Not, not - I mean this is good, The preliminary report I take as a preliminary report and glad to have it, but this information memorandum is a snow job, it really is.

MR. DOODY: That was prepared for distribution to potential purchasers of the mill.

MR. ROBERTS: Well it may have been prepared for distribution to potential purchasers but if I had been a potential purchaser and it were sent to me -

MR. DOODY: You would not have bought the mill.

MR. ROBERTS: - I would not have bought the mill. I might not have bought it anyway, but I certainly would not have bought it on the straint of this. What we do need are all of the task force subcommittee reports, I know there are ten or twelve, so we have most of them now.

MR. SMALLWOOD: Perhaps that is why - that is the reason it was a snow job, it was meant for possible buyers.

MR. ROBERTS: Well maybe it is. My friend from Twillingate (Mr. Smallwood) has some very, very important thoughts on this.

But also again we have statements for 31st. March, 1976, no statements for 31st. March, 1977 year.

MR. DOODY: They are not done yet.

MR. ROBERTS: I mean, the minister must have unaudited statements by now, even six months statements. I mean, the minister as he told us this morning has had considerable experience in business, it may not be on the scale, there may be more zeros on the end of the figures in the Linerboard report than there are in the accounts of the business with which he is connected, but the principles are the same. And he is not going to tell me that the government do not have statements that are not more up to date than fourteen months ago, -

MR. DOODY: No. We have got preliminaries.

MR. ROBERTS: - and I do not care if they are audited or not. I do not think the government will knowingly falsify figures, I do not need Peat, Marwick's imprimatur to convince me that, you know, a set

Mr. Roberts:

of figures are worth taking seriously. You know, the whole Linerboard thing, I mean, will the minister table the documents or some documents - I do not want internal working papers, - but some documents showing the cost of the shut-down, not just for Linerboard but, you know - the trouble is we have much of this now, Sir, I might as well - we have it, it has been leaked to us. The last forty-eight hours, I am told, has seen a flood of information, everybody, you know, with access to a mimeograph machine now is making copies which are going to The Daily News, doubtless to the gentleman from LaPoile (Mr. Neary), certainly to our people. You know, I would just as soon have it completely and accurately.


MR. DOODY: Can you get me on the mailing list?

MR. ROBERTS: Well, we cannot afford to send it to the minister even though we got such an eloquent plea from the gentleman from St. John's Centre (Mr. Murphy) this morning.

MR. CHAIRMAN: Time.

MR. ROBERTS: My twenty minutes how quickly it goes, Mr. Chairman.

MR. NOLAN: You are on another mailing list, that is why we are on the other one.

MR. ROBERTS: Let me just say, Sir, that I put forth these questions because I think they are important, and I would ask the minister please to let us have this information. I think it would be in the best interests of all concerned to do it. 

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, I concur with many of the questions that were put by the hon. Leader of the Opposition, Sir, especially in connection with the contracts that were awarded in connection with the development of the Lower Churchill. Mr. Chairman, I so far have put about 180 questions on the Order Paper, various and sundry matters, put the questions to ministers, and a lot of the questions that were just put by the Leader of the Opposition could have very easily been put on the Order Paper before today.

But, Sir, out of the 170 or 180 questions that I have

Mr. Neary:

asked so far of the administration on the Order Paper only about, I would say, less than one-third of the questions have been answered. And one of the biggest culprits in answering questions, my questions, is the Minister of Finance. So far I have put about twenty-seven or twenty-eight questions on the Order Paper for the Minister of Finance, and only six or seven have been answered and that includes, I believe, four answers today. Was it three or four

MR. NEARY: answers the minister brought in today? Four or five: So up until today, Sir, out of twenty-eight questions I put to the Minister of Finance, only three or four were answered and these were all very important questions, Sir, and some of them were in connection with the Linerboard mill. One of the questions I put to the minister was in connection with the tabling of the contracts, in connection with the development of the Lower Churchill, that \$75 million that the Leader of the Opposition just referred to. And that was back in early March, Sir, March I put these questions to the minister.

MR. DOODY: Why me?

MR. NEARY: The Minister of Finance, I put the questions to the Minister of Finance and so far I still have not gotten the answers.

Mr. Chairman, at this particular point, Sir, I do not want to delay the Committee. I am sure that we can accomplish a lot more by getting quickly into the item by item analysis of the estimates. But there are a number of things, Sir, that I cannot help. There are a number of policy statements that I think that should be made by the minister at this point in time before we get into the item by item analysis of the estimates, and one, Sir, has to do with the - now this was one of the questions I put to the minister by the way, about the part-time workers. We were told, I believe in the - was it in the Throne Speech last year, or the Budget Speech? - that there were going to be a number of part-time workers removed from the government payroll as of January 1st. It must have been back in the Throne Speech before last. They were going to be removed. This was a matter of austerity, belt tightening.

Well I would like to ask the minister now to tell us how many part-time workers have been removed? What departments have they been removed from? And we are also told in that Throne Speech that

MR. NEARY: the government was going to try to find employment from those who were released from work. It is about time that the minister gave us a report on this announcement in the Throne Speech, or the Budget Speech, I think it was, two years ago. And how has the public service increased in the last couple of years, in the last four or five years? What numbers are we talking about now? How many people are directly and indirectly drawing their salaries now from the Public Treasury of this Province? Can the minister give us a statement of policy on this and what is going to happen in the future? Is there any freeze on now on hiring civil servants or are we just allowing the empire to increase year by year?

I think it is a fair question, Sir, to put to the minister. I have given the minister advance notice of it. As a matter of fact, back on February 10th., question number 96 on the Order Paper, the total number of employees directly receiving their salary from the Public Treasury in categories covered by collective agreement for the years 1972-73-74-75 and 76, and the total number of those employed on a contractual basis receiving their pay directly from the Public Treasury for the same period, and the total amount of pay issued to these people for each of these years?

Mr. Chairman, this is a fair question, so the minister should come into the House with a graph showing us how the public service has grown over the last three or four or five years, to see, Sir, if we do have austerity, if we are in a period of austerity, or are the empires still being built up? Is the Peter Principle still working in the Crown corporations and in the public service.

Mr. Chairman, what about Atlantic Lotto? I put a question to the minister, question number 47, Order Paper April - no pardon me -

MR. DOODY: That was only a few days ago.

MR. NEARY: No. No. The Atlantic Lotto one? It was only a few

MR. NEARY: days ago.

MR. DOODY: That one was directed to our department. We are working on it.

MR. NEARY: Mr. Chairman, the minister says he is working on it. Well now we are doing the estimates of the minister's department, Sir, and I want to find out under what authority this government entered into an agreement with the other Atlantic Provinces to run a lottery. We had a bill, Sir, brought into this hon. House last year, a bill asking the House of Assembly to give the government the authority to enter into an agreement with the other three Atlantic Provinces to run a lottery. And

MR. NEARY: the next thing we know, Mr. Chairman, the bill is withdrawn. But Newfoundland is right up to its eyeballs in the Atlantic Lottery, Newfoundland is participating in the Atlantic Lottery. And perhaps the minister can tell us now under what authority this government entered into an agreement with the other provinces and how much money have we taken from the Atlantic Lottery so far? And how were the appointments made in Newfoundland to the representatives to distribute the tickets and the agent for Atlantic Lotto? How was it done? Was it done on a political basis?

MR. DOODY: If it was you would have heard about it before this.

MR. CHAIRMAN: Order please! Perhaps the hon. minister would permit me. The proceedings of the House are being watched with great interest, I am sure, by thirty members of the First Cowan Heights Beavers of St. John's who are in the charge of their teachers, Mrs. Barbara Miller, Mrs. Mabel Earle, Mrs. Marion Suley, Mrs. Louise Piercey and Mrs. Elizabeth Roberts. I am sure all hon. members will wish to welcome them most heartily.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Never a more worthy cause to be interrupted by Your Honour than to welcome the Beavers to the House of Assembly. It was only last year, I believe, that my little fellow was a Beaver, this year he is a Cub. But I am sure, Sir, the Beavers will enjoy this session of the House of Assembly and I am sure they will be interested in knowing when they hear the minister stand up - I am sure they will be interested in finding out Newfoundland's share of the proceeds so far from the sale of Atlantic Lotto tickets. And tell us whether it is increasing or decreasing, because I have the feeling, Sir, from the advertisements that are appearing in the newspaper and the remarks that are being made by officials of Atlantic Lotto that the ticket sales are falling off because they are too stingy with their prizes. Now that is what it looks like to me. And I would like to know the names of Newfoundland's

MR. NEARY: representatives on the board of directors of the Atlantic Lotto Corporation. The names of the individuals, firms and companies appointed as agents to distribute or sell Atlantic Lotto tickets in Newfoundland and Labrador.

MR. SMALLWOOD: Has it not all been published yet?

MR. NEARY: No Sir, it has not been published. My hon. friend probably was having a little snooze there when I said that last year a bill was brought into this House -

MR. SMALLWOOD: I do not snooze.

MR. NEARY: A bill was brought into this House -

MR. SMALLWOOD: I heard that.

MR. NEARY: Well the bill was withdrawn but nevertheless Newfoundland -

MR. SMALLWOOD: I heard that.

MR. NEARY: Newfoundland ended up right up to its eyeballs in Atlantic Lotto.

MR. SMALLWOOD: And I heard that.

MR. NEARY: Well, then what is it the hon. gentleman wants to know?

MR. SMALLWOOD: I want to know is it possible that Newfoundland is up to its eyebrows and nobody yet has been told how it got there, who are our representatives, how much money we are getting out of it, whether it is going ahead or going down.

MR. NEARY: That is 100 per cent correct.

MR. SMALLWOOD: Does the hon. gentleman not thank me for emphasizing it?

MR. NEARY: I certainly do and that is why -

MR. SMALLWOOD: Do not tell me again that I was snoozing, I do not snooze.

MR. NEARY: That is why I stood here and let the hon. gentleman go ahead and ask the question because it is right on target. And I would like for the hon. minister to cable a copy of the agreement

MR. NEARY: with the other Provinces.

MR. SMALLWOOD: The minister has gone off to get the information.

MR. NEARY: Well I hope the hon. -

MR. DOODY: He has gone off to buy a ticket.

MR. NEARY: I hope the hon. minister will table a copy of the agreement. Mr. Chairman, there are a number of other important questions that I put to the hon. the minister, which probably I am not going to get the answer to unless I can get him now while we are into the committee. Mr. Chairman, over here on Higgins Line, Newfoundland Computers, Newfoundland Computers, Sir, are in the process of constructing a building. It is pretty far advanced now, I would say the building is about three quarters finished. - Mr. Chairman, you can go and look out, Your Honour can go and look out the window, Your Honour's window there, and can look at this building that has been under construction now for about, I would say, over a year, a year and a half probably, and so far again - the hon. member for Twillingate may be shocked to hear this - not a report has been made on that building in this hon House. The building is going up by a Crown Corporation called Newfoundland - I think it is -

Mr. Neary.

Newfoundland Computer Services.

MR. DOODY: Newfoundland and Labrador.

MR. NEARY: Newfoundland and Labrador Computer Services putting up a multi-million dollar building, no authorization of this House, no mention of it in this House.

MR. SMALLWOOD: Where did they get the money?

MR. NEARY: They probably got the money from the services they provide themselves. But certainly the Minister of Finance or the Minister of Public Works or somebody should have the courtesy and the decency to let this House know that there is a building going up that will be owned by the Newfoundland Computer Services Corporation.

MR. SMALLWOOD: Who owns the corporation? This House?

MR. NEARY: We do. The people of this Province own it. Not a sound, not a word about that building. Whether public tenders were called or not, whether there was any political patronage involved, there is no way we can find out. We do not know, because we have not had a report on it. And the same, Mr. Chairman, there was a building put up over here, the Howley building. I have got a question on the Order Paper to try to find out how much that cost. I know that is not under the minister's department.

MR. DOODY: There is no question on the Order Paper about Computer Services.

MR. NEARY: Yes, Sir, there is a question on the Order Paper. I am looking for it here if I can find it.

MR. DOODY: I cannot remember it.

MR. NEARY: I have no trouble at all getting answers from the Newfoundland Liquor Commission about the number of brewers' agents that have been - yes, here it is. Here it is, March 31st., 1977: Cost to date of Computer Services Centre located on Higgins Line? List of firms involved in the construction

Mr. Neary.

of this centre, consulting engineers, general contractor , electrical contractor, mechanical contractor, roofing contractor, structural steel, ventilation work, landscaping and paving? Were tenders called for all of the above contracts? If tenders were called, were contracts awarded in all cases to the lowest bidder? If contract was not awarded to the lowest bidder, explain reason? Estimated cost of completion, completing building and completion date? It is a pretty fair question, Mr. Chairman. There is no answer yet. That answer should be forthcoming bang-bang,, just like that, and here it is a month later, and there is no indication that I am ever going to get an answer to it.

And, Mr. Chairman, here is another beaut-question.

MR. SMALLWOOD: Do you want to move the adjournment of the House until the answer is forthcoming?

MR. NEARY: Well, we should. I do not know if I can do that or not. Maybe the minister may give us the answer, but certainly, Sir, before we proceed with the item by item analysis of the minister's estimates, the minister should give us at least some general information of what is going on in the minister's department. I put another question to the minister about the name of the firm or individual providing security services to the Newfoundland Liquor Commission? Cost per month for providing services to the Newfoundland Liquor Corporation? Were public tenders called for providing security services to the Newfoundland Liquor Corporation? And if tenders were not called, state reason? I have very good reason to believe, Mr. Chairman, that tenders were not called in this particular case, and I want to find out why, but I cannot get an answer to my question, and that question is on the Order Paper. It would be different, Mr. Chairman, if it was a question I put to the administration during the Oral Question period, and it was brushed off, sloughed off,

Mr. Neary.

and said, Well I will get the information. This question is in the hands of the minister for some time. And I also put another question to the minister about the number of people - there is a policy in that department whereby the minister or the minister's officials go off across Canada. As a matter of fact, they will go anywhere in the world interviewing people for jobs in the Department of Finance, cannot find them in Newfoundland. I want to find out from the minister, I want the names, dates and the province or country of origin of all individuals and families who were transported to Newfoundland at public expense during the calendar years 1972-1973, 1974-1975, and in each case show the cost of exploratory visit to the Province by officials of the minister's department and cost of transporting families, if the head of the family, or the man and wife, had to be brought down to Newfoundland first to take a look at the place to see if they liked it, to see if the air is polluted down here, take a look around, sniff around visit the restaurants and lounges and theatres and Arts and Culture Centres to see if they like it here first before they come. How much of the taxpayers' money has been spent on that sort of thing? And then how much did it cost to get the family moved here for furniture and household belongings, vehicles, pets and other animals? All pretty fair questions, Sir, but no answers forthcoming yet.

MR. NEARY: I asked the minister about a number of brewers' licence that were issued in the period from January 1976 to February 28, 1977, and I was told 130 new brewers agent licences were issued. No problem getting the answer to that question, Sir. No problem at all. If there is a field that we have progressed in, if there is an area, Sir, in which this Province has progressed since this hon. crowd formed the administration it is in the field of issuing night club licences and brewers retail licences. They have practically tripled in the last five years.

And what about the Marystown Shipyards, Mr. Chairman? We have got to have a few words on that. We have got to find out about the losses that have been incurred in the last two, three or four years. And we have got to find out, Mr. Chairman, how much we are subsidizing these tugs. What is the amount of subsidy of these tugs? That comes under the Minister of Finance. I believe the minister is Chairman of the Board is he?

MR. DOODY: No. Industrial Development.

MR. NEARY: Industrial Development. Well the minister is on the Board of Directors.

MR. DOODY: No, Sir, the minister is not.

MR. NEARY: You mean the Minister of Finance has been removed from the Board of Directors?

MR. DOODY: The minister was flung off.

MR. NEARY: Well I would like to find out what the losses are for the year?

Mr. Chairman, I do not have very much more time. I have got all kinds of more questions. I guess I will have to wait until we get to the item by item analysis of the estimates before I can put these questions to the minister. But the minister should give us a general outline, Sir, of the department, especially the increase in the public service, and the number of employees on the payroll. We were told that there was going to be a cut-back. I have a feeling that it is just the opposite, that there has been a dramatic

Mr. Neary:

increase in the public service over the last two, three or four years. And everytime that happens, Sir, we have to go out and rent buildings, office space. How much are we paying for office space now? How many locations do we have in St. John's, government buildings? And were public tenders called for this office space?

MR. CANNING: The question is really there: What happened in two years?

MR. NEARY: I know the questions are there. We cannot get the answers. How many locations do we have? And were public tenders called for all this office space that is being rented? And if public tenders were not called, why was it not called?

Mr. Chairman, these are some of the matters that I would like to raise, and when we get to the estimates I will get back to a few more questions I have for the minister.

MR. CHAIRMAN: Shall 401-01 carry?

MR. NEARY: No. Give the minister a chance, Mr. Chairman.

MR. DOODY: Anybody else?

MR. CHAIRMAN: The hon. Minister of Finance.

MR. DOODY: I will try to deal with as many of these items as I can, They were coming from various members opposite and I will try to deal with them in as much detail as I can, I certainly do not have all of the answers that the hon. gentlemen have been asking for in detail, but I will certainly try to outline the general principles.

The first point raised by the hon. member for Burgeo-Bay d'Espoir (Mr. Simmons) was the high priced people in Finance, which pretty well takes up from the last set of estimates which we covered, that of the Legislative subhead, and which we were discussing the difficulty in obtaining competent and capable people in the Auditor General's Department, who would stay there at the salaries that are being offered in Newfoundland. The situation is no different in Finance, Indeed, in order to find qualified financial people one has to pay prices that are competitive in the marketplace.

Mr. Doody:

The hon. member for LaPoile (Mr. Neary) mentioned as he sat down from his previous diatribe that it is a pretty negative and a pretty backward attitude on the part of government to say that we are having our people hired away from us by federal government departments, by competitive industries, by banks, by accounting firms, and by others, and that for some sense of loyalty or some sense of patriotism that these people should stay with the Province of Newfoundland at lower salaries rather than try to improve their lot in life, and try to improve the income for their families and themselves. So this is just simply impractical.

If there is one field today in which there is a shortage of talent, in which there is an availability of job openings it is in the financial management field. Two,

MR. DOODY: two and a half years ago in the Department of Finance. I think we had one chartered accountant. It is an incredible statement that that man carried that load himself as being the only CA in the department handling millions and millions and millions of dollars of government funds, the debt management, which we talked about earlier today, and all the allied areas of fiscal and financial responsibility. And it became quite obvious very early on in the game that in order to operate the Province's finances and the financial responsibilities seriously one had to have people who were capable, competent and experienced. If they are available in the Province of Newfoundland then we try to hire them in the Province of Newfoundland. If we had to go outside the Province of Newfoundland, then we went outside the Province of Newfoundland and we hired the best people that we could get.

There has been a very radical change in the structure of the Department of Finance over the past few years. The number of CA's, the number of qualified and certified accountants and business B. Comm.'s and so on who are in place down there now just bears no relationship to that of a few years ago and the efficiencies that have been put in place bear that out.

This year, for instance, we have put into place for the first time an Internal Audit Division that is just starting. It is a new unit. It is small, but it will be moving from department to department setting up systems, reviewing systems that have been in effect, in existence from the year that government first started in Newfoundland in some cases. There are systems analysis as well as internal accounting procedures will be looked at and this division is headed up by a young lady, I am proud to say, one of the senior people in the department. The young lady has a Bachelor of Commerce degree and a Chartered Accountant degree and will be looking at the internal working and the internal audits of the

MR. DOODY: various departments and agencies of government.

You do not get talent like that at the salaries that you would like to pay. These people are very much in demand and if we are going to get them we are going to have to pay them. If we do not have them then we will have to pay the price in another way, in inefficiencies and waste and in the extra cost to the taxpayer.

MR. MURPHY: They will have no conflict with the Auditor General.

MR. DOODY: The Auditor General's Department is responsible to the House, and we want to get into place competent and efficient systems in these departments whereby the Auditor General does not keep running into these same things over and over and over again, every year the same little things keep coming in because the systems do not change in the departments, through no fault of the administrators, through no fault of the DM's and the ADM's. It is just that it is an ongoing process. Now with this unit, fiscal management people who can move into department to department, update the procedures, go along with a manual, provide a manual of procedures for these people and try to avoid some of these problems before they arise, and in so doing take some of the load off the Auditor General and his division because they have not only been doing, and I am very grateful to them for it, they have not only been doing their work as agents of the House and looking for flaws, as they say theirs is a negative job anyway, looking for flaws in their fiscal management, they have also been bringing to our attention management problems which we ourselves should be looking after and we are taking steps in doing that.

But to try to suggest that we are going to get people who can manage these things, people who can look after that huge debt programme and look after the sinking fund and looking after the investment of the sinkers and to see that all the fiscal arrangements of the Province can be managed and handled without paying people salaries that are competitive with the banks and with

MR. DOODY: the federal government and with governments in other provinces and with senior business, is just nonsense. You will not get them, you cannot get them and it is impossible. There are people who are very much in demand and people whom we have to have and if we are going to have them we have got to reward them.

Now the salaries that have been mentioned, it has been suggested that they have been - For instance, executive assistants has been raised as an example of salaries that have been slashed out over the past two years. The simple truth of the matter is that the salaries of these special assistants to the ministry have been exactly the same percentage increase as the general service agreement. There have been absolutely no difference at all. The salary increases are exactly in line with the general service agreement. And as for roll backs in the AIB, some of the senior public service people have had their salaries rolled back by the AIB.

MR. DOODY: The money that was paid to them, and which we felt was a reasonable return for their investment in the Province, and for their work on behalf of the Province, The A.I.B. felt differently and the salaries were rolled back and some of the senior civil service have had to repay a percentage of their increase.

As for the amounts of money that have been paid out in studies for various projects, or various planned or hoped for projects by this administration, I certainly have no idea off the top of my head how much has been paid out or how much is involved. The one specific that was mentioned was the St. Alban's study done by the R.P.C., and one of the major recommendations in that study was the fish plant which has resurrected its head again. I notice that there is much talk in the St. Alban's area again about a fish plant in that area.

Very early in the game hon. members in this House were aware that we tabled a letter from the Government of Canada, from the Department of the Environment, the Fisheries Division, which said that they would not accept the concept of a fish plant at the head of Bay d'Espoir; it was just completely in violation of their principles and they were not going to have it there, and there was no point in out pursuing it with DREE or anybody else, and that is where it died. To say that the area has been neglected, forgotten about and the report pigeonholed and put away once again is simply not quite the case.

The Department of Rural Development I know has been most active in that area, working with various sawmill operators down there and with small boat building operators, and have done, to the best of their ability, a pretty decent job in

MR. DOODY: trying to get some work created in a very difficult area. I know the area fairly well and I know the difficulties down there.

 The Industrial Development Department spent a large amount of money last year from their vote on costing a study for an industrial site down in the St. Alban's area. Eventually a site was located, some work has been done on it and this is in anticipation of a hoped for industry which would be fueled by the Bay d'Espoir power development. Unfortunately it came to naught.

MR. MURPHY: Is the boat building still going on down there?

MR. DOODY: I do not know if the longliner operation is still going on down there or not. I would suspect that if it is not it probably will be reactivated with the new programme of the Minister of Fisheries to build more small boats this year.

 As I say, the cost of site work, the aid to sawmills, these are small things, but it is going to take a big thing to solve that big problem in Bay d'Espoir. Quite honestly I do not feel that that R.P.C. study was all that good, and I feel reasonably certain that the hon. member for the district shares that view. The answers were too simplistic.

 As there was some discussion about the Minister of Fisheries going to usurp the office of the Premier, I thought that I was in the middle of a palace revolt. But I think it was not meant as anything but a facetious comment.

 The suggestion that the Deputy Minister of Finance is in a blatant conflict of interest position as Comptroller of the Treasury is a fairly

MR. DOODY: You know if that makes sense -

MR. COLLINS: The recommendations are going to be made secretly.

MR. DOODY: Absolutely. They are going to be passed on confidentially to the minister, you know. So we are not that far back in the woods when it comes to financial controls and fiscal responsibilities. We have had representation from the Government of British Columbia this year asking us what the functions of an auditor general were; and what the functions of a comptroller were, and indeed what the functions of a treasury board were because all these functions are new to them. They have never been involved in them before and it is only since the Bennett government got in over there that they decided that it is time to have a look at some financial controls and that the House of Assembly and the Province of British Columbia should have a right to look at some of the public accounts and have somebody who is accountable to them for that. I am not pretending that our system is perfect. The Auditor General points out very dramatically each year that our system is far from perfect. What I am saying is that we do have a system here which is far superior to many of them.

We could take the Nova Scotian approach, for instance, where the Minister of Finance is also the President of the Treasury Board, which is not an unusual set of circumstances, but he is also the Chairman of the Public Accounts Committee, which is a great Liberal concept. This government set up a Public Accounts Committee. I think it is the first time that one has ever functioned in this Province.

SOME HON. MEMBERS: Hear, hear!

MR. DOODY: We made no pretense of getting a Tory member as a Chairman of that Public Accounts Committee nor have we had any hesitation in providing any assistance that that Committee needed to function. As a matter of fact, the hon. Chairman of the Committee and his Vice-chairman are just back from a tour across Canada. I do not know what their findings were. I am sure that this House will know what their findings were when they report to this House.

^{Doody}
Mr. Neary.

and that is their function to report to this House, and it is their function to tear into the public accounts of this Province and to make constructive recommendations for improvement. There are many things that have to be done in this Province, but I will say to hon. members that this Province in terms of fiscal responsibility and in management of the public accounts is far ahead of many other sections of Canada, including the central government. Our big problem is not the fact that we do not have fiscal control, but is the fact that we do not have the monetary weapons or the fiscal weapons to control our own destiny or our own future. Our problem is that the printing press is in Ottawa and the problems are in Newfoundland, And I cannot say that I knock Ottawa in any way. We have been very, very grateful indeed for the fact that we are part of Canada, because God help us if we were not during the past few years and in the years to come.

MR. SMALLWOOD: Do you really mean that?

MR. DOODY: I do indeed. All one has to do is look at the chart of how that pie is sliced in that budget and see how much of the revenue comes from the Government of Canada.

MR. SMALLWOOD: You mean the revenue of the government, but what about the revenue of the people.

MR. DOODY: The revenue of the Province, I said, the revenue of the Province, and to me the Province includes the people very much so. To me the people are very much part of the Province.

MR. SMALLWOOD: The people are not shown in that table.

MR. DOODY: That is right. They are not shown in that table. The hon. member is absolutely correct. But the tax equalization area is 28 per cent and so anyway I will not waste the Committee's time by going into it. They know exactly what I mean. On the Crown corporation, the Labrador Linerboard Limited, to the best of my knowledge the amounts shown in the budget

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for this year are not the total amount of the Province's commitment to Labrador Linerboard Limited, but is that amount which will be paid off in debt retirement and debt servicing and mothballing expenses and so on if they are necessary, and God hope they are not, which will be necessary for this year. There will be a float chart passed out to hon. members which will demonstrate the costs during the ensuing years of the debt retirement, the interest charges and other charges down until such time as the entire debt is retired. I do not have these figures with me. Now I do have what may be helpful for gentlemen here, the actuals and estimates of the - 1974, 1975, 1976, 1977, 1978, 1979 and 1980 are the estimates - of the sales volumes for the mill net selling price, the operating costs per ton, the wood costs, the interest costs, the operating loss, the cash requirements and the Province's investment in millions.

MR. SMALLWOOD: Going back to what year?

MR. DOODY: Starting in 1974 which was the year that the operation started. And if it is of any interest - I am sure it is of interest - if the gentleman will be kind enough to distribute them around to the House, I would be most grateful. And as

Mr. Doody:

the hon. Leader of the Opposition has suggested that there are undoubtedly reams of information which are available which I have not provided in these documents: If hon. members as they look through - you know, I did not mean that to be a contemptuous document or an insult to the House or anything else. It was the information that was available at the time. Between now and the start of debate, if hon. members can examine what information is available, demonstrate to me what information is that they want I will try to make it available to them before the debate starts.

MR. SMALLWOOD: Fair enough.

MR. DOODY: And a lot of this stuff has been coming out of one ear and running down - and I have been living with it for so long now that I take quite a lot of it for granted and I realize that hon. members in this House have not had the same exposure, and in some ways I kind of envy them.

The water rights - why the assignment of \$130 million to the purchase of the shares, and \$30 million to the purchase of the water rights themselves. This was a figure that was worked out through the accountants, the fiscal people, and the Hydro people and it was an arbitrary system done for accounting purposes. You can say the water rights in Labrador are worth \$50 million or they are worth \$80 million or they are worth \$20 million or they are worth \$30 million; \$30 million is the number they come up with. So the Government of Newfoundland is buying the water rights and the Newfoundland and Labrador Hydro are buying the shares of the Upper Churchill.

AN HON. MEMBER: Right.

MR. DOODY: This year the shares - the first of dividends will be coming in on that \$130 million amount, and this first quarter will show some return to the Province, and then from here on in the return to the Province from the dividends from the company will liquidate the \$130 million share purchase. The \$30 million bit for the water rights which the Province owns is being, which is all a part of the \$160 million loan from the Bank of Nova Scotia, is being divided

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into four or five equal installments which the Government of Newfoundland gives to NIDC each year to retire that section of that debt, and that is why that \$8 million is in there for the NIDC bit.

The bank line of credit is also spread out through the Labrador Linerboard Limited. There is a \$30 million bank line of credit with the Bank of Montreal, which is not shown as part of the commitment, but once again we can get into that. And that will be spread out over a period of years and paid back to the bank, so that reflects one of the problems - that is why I am raising that - that is one of the problems between the assumption of the Advisory Board which said that all of this has to - the bank line of credit will have to be paid back in year one. We know that our relationship with the bank is such that we can spread that over a period of years and break it down that way.

How am I doing, Mr. Chairman?

MR. CHAIRMAN: (MR. YOUNG) Your time is up, another minute probably.

MR. DOODY: As I say, if hon. members opposite come up with specific points that they think that I can make available to them prior to the start of the Linerboard debate, I will be only too happy to have our people try to dig them out and get them for them.

On the Gull Island information, I am not going to get into that now. It in itself would take a long, long time. There is a \$78 million, \$79 million investment there, I understand that all but maybe \$2 million to \$3 million of it is usable. It is site work planning, construction and so on that will be used. I think there is a \$2 million or \$3 million effort which will be a write off in terms of road work and so on which will probably washout. If we do not get on with it during the next year or so.

But as I say, to try and get into the Gull Island loan, that \$78 million thing, in the two or three minutes that is available to me now would be a contemptuous insult to the House, and I do not

Mr. Doody:

think I should even try to cover it.

MR. MARSHALL: It is coming up in supplementary supply, is it not?

MR. DOODY: Yes. It will be in supplementary supply anyway, but I would rather suspect that there will be a bill of some sort on it, I would think so, but I am not sure on that. But certainly it will be in supplementary supply, and the House will have time -

MR. FLIGHT: Mines and Energy will have that one.

MR. DOODY: No, it is in my estimates for some reason.

MR. FLIGHT: (Inaudible).

MR. DOODY: For some reason best known to the people who hate me all these things come in here.

MR. FLIGHT: Yes.

MR. DOODY: Part-time workers - my friend from LaPoile

(Mr. Neary) asked how many part-time workers -

MR. CHAIRMAN: Order, please!

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: I am sure the hon. gentleman, Sir, would like to have another opportunity to answer some of the questions that I put to the hon. minister. I do not

MR. NEARY: believe, Mr. Chairman, I got one answer out of the hon. gentleman. The hon. gentleman never stopped talking about the Linerboard Mill.

MR. DOODY: I tried to answer that.

MR. NEARY: And so if I just, Mr. Chairman, if I just stand for a few minutes it will give the hon. gentleman a chance to get back and try to answer some of the questions that I put to the hon. gentleman. And while I am at it I will toss in a few more, if the hon. gentleman would make a few notes.

MR. MURPHY: Ask them on the headings.

MR. NEARY: No, they cannot be asked under headings. There is no way, Mr. Chairman. You have to ask them under the Minister's salary. I have gone over the finance heading before and I cannot find any place in there to ask the questions.

MR. MURPHY: You just cannot go on rambling. You get a distinct thing in the budget, you know. I thought I would just help things along.

MR. NEARY: We only have two hours, Mr. Chairman, I am trying to give the minister a chance to answer some of the policy questions that I am putting forth. For instance, I would like to know now, from the minister, how many buildings are covered by fire insurance? Is the minister listening to me?

MR. DOODY: Yes, boy. I cannot avoid it, I know that twenty buildings are covered by fire insurance.

MR. NEARY: Yes, and if public tenders are called for insurance for these buildings that are owned by the government. Give us a list of the buildings indicating the insurances carried, the cost of the premiums, the company carrying the insurance and the name of the local agent, and the public tenders that were called. Could we get that piece of information from the minister before we pass the estimates? And, Mr. Chairman, I called the minister's department there about two or three weeks ago looking for a piece of

MR. NEARY: information that I thought was public information. I wanted to find out from the minister's officials the amount of taxes and/or royalties paid by Labrador Mining and Exploration Company to the provincial treasury from royalties collected on ore mined at Labrador City for 1976. But I was told that the information was confidential.

MR. DOODY: Under statute it is.

MR. NEARY: It is confidential.

MR. DOODY: Under statute.

MR. NEARY: You mean we cannot get the information in this hon. House ?

MR. SMALLWOOD: Personal income tax and so on, but surely not royalties and -

MR. DOODY: The information that I received from Justice and the officials is that this is under statute confidential.

MR. SMALLWOOD: I know it has been published dozens of times in this House.

MR. DOODY: Well, if it has been -

MR. SMALLWOOD: Royalties paid and mining tax paid. It was always the argument that they were not paying enough because the figures were tabled.

MR. DOODY: The totals have always been but not by a company.

MR. NEARY: Mr. Speaker, I am asking -

MR. SMALLWOOD: That could be so. The minister could be right on that.

MR. PECKFORD: The totals are available, but the company by company -

MR. SMALLWOOD: That could be. That might be.

MR. DOODY: I think that is the answer, not -

MR. SMALLWOOD: The minister says it is.

MR. DOODY: I do not think it is. It is.

MR. NEARY: Mr. Chairman, I can only repeat my question again. Could I have the total then, the total taxes paid by Labrador Mining and Exploration Company to the treasury on royalties collected on the ore mine in Labrador City for the years 1972, 1973, 1974, 1975 and 1976. Is it possible to get that information or is that confidential?

MR. DOODY: I will check for you again.

MR. NEARY: Are the citizens of this Province not entitled to that information?

MR. DOODY: I will check for you again.

MR. NEARY: And if the minister would check for me again -

MR. DOODY: If it is legal I will certainly get it for you.

MR. NEARY: Well fine, and if it is not legal find out the authority that makes it illegal for the House to get that information. It is published, Labrador Mining and Exploration publish it themselves in their own documents.

MR. DOODY: Well what do you need it for?

MR. NEARY: Here is why I need it, Sir. Because I do not have a copy of their financial statement in front of me, It would take me too long to get it. I would have to write Montreal and ask them to send me down a copy of their year-end financial statement. And why should I have to do that when I can go to the Minister of Finance?

MR. DOODY: That is true.

MR. NEARY: And ask the minister to provide the House with the information. And that is what I have done. I did it back in March and I have not got any answer yet. I have not even been told that it is illegal or legal. Just no, complete silence. And Mr. -

MR. DOODY: We had to pass an act here recently amending the legislation, if you remember, so that the Department of Finance could

MR. DOODY: tell the Minister of Mines and Energy that information.

MR. NEARY: Well, Sir, I think that is terrible.

MR. DOODY: It is terrible but it is a fact. It was passed here in this session.

MR. SMALLWOOD: It has always been the practise that information that any minister has is automatically available to the whole Cabinet.

MR. PECKFORD: On the statute it was not -

MR. SMALLWOOD: No. The Cabinet is not forbidden to have any information that any minister has, with one possible exception, the Minister of Justice, possible exception.

MR. NEARY: Well, Mr. Chairman I would like to get that piece of information.

MR. DOODY: I will certainly try if it is possible -

MR. NEARY: But I also want the minister -

MR. DOODY: It is certainly nothing that I want to keep hidden.

There is nothing -

MR. NEARY: Well I am glad to hear that, Sir, and I would also like, Sir, for the

MR. NEARY: minister to tell us -

MR. PECKFORD: It has increased substantially over the last few years.

MR. NEARY: What was that again? What was that remark?

MR. PECKFORD: I say it is very interesting from where I sit because it has increased a lot over the last few years.

MR. NEARY: It certainly has increased and here they are - the reason I want to find out, Sir, that this company is taking millions, literally millions of dollars out of this Province every year and not lifting a finger. As a matter of fact they are taking more out than IOC and Wabush.

MR. PECKFORD: Well, you know, I can get into it when my estimates come because I have a lot of information on that.

MR. NEARY: Right. Well I would certainly be glad to get into it because I think that we should put the boots to this crowd for walking out of this Province every year with \$20 million, \$30 million, \$40 million.

Labrador Mining and Exploration Company - Labrador Mining and Exploration do not put one red cent back into this Province.

MR. PECKFORD: Yes, they do.

MR. NEARY: In what way?

MR. DOODY: No they do not, not Labrador Mining and Exploration.

MR. NEARY: What do they do?

MR. SMALLWOOD: Through taxes.

MR. NEARY: They pay -

MR. DOODY: Under the new Mining Tax Act, yes.

MR. PECKFORD: Oh yes, millions of dollars a year.

MR. SMALLWOOD: Taxes, royalties. They do not spend any money in -

MR. PECKFORD: Oh yes they do. And they also spend money.

MR. SMALLWOOD: Their mining is done for them by Labrador Mining and Exploration -

MR. PECKFORD: Their operations, mines that are now in operation done for them by IOC or Wabush, but they also have mineral acreage on which

MR. PECKFORD: they themselves expend money to ascertain new ore bodies.

MR. DOODY: They have to under the new legislation.

MR. PECKFORD: Yes, under the Act.

MR. NEARY: Well we will get to that when we come to the minister's -

MR. PECKFORD: They did not, they do now.

MR. NEARY: - when we come to the minister's estimates we will get to that. It must be only lately -

MR. DOODY: Yes, last year.

MR. NEARY: It must be only lately it becomes them. Because they are taking a hell of a lot more out of here than they are putting back in. That is for sure.

MR. PECKFORD: That is what I just told him.

MR. SMALLWOOD: Would the hon. gentleman?

MR. NEARY: Yes, Sir, I certainly would; anything at all to get a bit of information out of them.

MR. SMALLWOOD: Would the position be this, that the concessions that exist in Labrador are concessions given by Newfoundland to Labrador Mining and Exploration and it is they who must spend money. It is they who must or lose their concession and the actual mining is done by Iron Ore Company.

MR. PECKFORD: That is what I said.

MR. SMALLWOOD: And they are doing in their own behalf and in behalf of Labrador Mining, doing it in behalf of two companies.

MR. PECKFORD: Yes.

MR. SMALLWOOD: Themselves and Labrador Mining.

MR. PECKFORD: Yes.

MR. SMALLWOOD: But Labrador Mining are the concessionaire and they are spending money to hold their concession on the part that is not being developed.

MR. PECKFORD: Yes.

MR. NEARY: Well anyway, Mr. Speaker, I trust the Minister of

MR. NEARY: Finance. We will deal with the other matter when we get to the minister's estimates.

MR. PECKFORD: No problem.

MR. NEARY: But I want to find out now the amount of taxes and/or royalties paid to the Provincial Treasury and the Minister of Finance is the proper one for me to ask.

MR. PECKFORD: Millions of dollars.

MR. NEARY: And, Mr. Speaker, I would like to hear the minister if I can be - I have only got two or three more questions to react to the strong condemnation of the minister by the Auditor General in the Auditor General's report this year in connection with the individuals and firms who are in arrears on the Tobacco Tax. We are told by the Auditor General that there were arrears amounting to \$404,000 and the Auditor General was very strong in his criticism and his condemnation of the Department of Finance by not collecting this money. What steps have been taken? And would the minister give us a list of the individuals and firms who are in arrears? Are they still in arrears on the Tobacco Tax as reported by the Auditor General's Report, page twenty-eight, for the financial year March 31, 1976? And what attempt, as I say, if any, has been made by the minister and the officials to collect this outstanding amount? And how much do the government collect in the fiscal year 1975-76 for entertainment tax?

MR. DOODY: None.

MR. NEARY: None. Well why do we keep it on the statutes if there is no income, no revenue from it.

MR. SMALLWOOD: How much did they spend on entertainment.

MR. NEARY: I know how much they are spending on entertainment. The minister is going to spend \$100,000 on entertainment, but when we get to that subhead I will ask the minister to give us an accounting of that, what it is going to be spend on. But right now I would like for the minister to tell us how much was collected for the last fiscal year on entertainment tax? And during the period, say, from January 1st, 1976 up to date, how many writs have

MR. NEARY: the government caused to be issued out of the courts against vendors under the provisions of the Social Security Assessment Tax Act? Can the minister give us that piece of information? And would the minister also give me the answer to the question that I asked on March 10th.,

MR. NEARY:

give us a detailed accounting of all write-offs over \$1,000 of debts owing to the provincial government or to any Crown corporations or agencies since January 1, 1972? If the minister does not have this information would the minister undertake to get this information at an earlier date as possible? Well it is well over a month now since I asked these questions, and I have not gotten the answers, and I have no choice but to bring them up now before we approve the write-offs.

MR. DOODY: What is it? The write-offs over - ?

MR. NEARY: Give us a detailed accounting of all write-offs over \$1,000 of debts owing the government, owing the provincial treasury or Crown corporations or agencies since January 1, 1972. And I would like to know, Mr. Chairman, as of January 1, 1977, what is the total amount of social security tax in arrears outstanding and due to the public treasury, in other words, owing to the government? These are just a few questions, Sir, and a few matters that I would like for the minister to comment on before we approve the minister's salary.

MR. DOODY: Now where were we. Yes.

MR. NEARY: The write-offs first. 7

MR. DOODY: No, the first question you asked me was: How many part-time workers do we have and how many have we got rid of and what have we done with them? Government has no part-time workers of any significance. The hon. member -

MR. NEARY: What about a year ago?

MR. DOODY: The hon. member, perhaps he meant - I think I can see what you are getting at now. You are talking about temporary employees, are you?

MR. NEARY: That is right.

MR. DOODY: Yes. That is why that was dismissed, because part-time people are people you take on -

MR. NEARY: Well temporary. What is the difference between part-time and temporary?

MR. DOODY: Because temporary people work a full day, a full month, a full week, a full year. There are temporary people in the Department of Agriculture who have been there since the sod reclamation - or the bog land experimental programme started, and they are still on temporary.

MR. SMALLWOOD: They are not established civil servants.

MR. DOODY: That is right. They are not established civil servants. Part-time people would be people that you would hire on, overtime bit in the Summertime to help over and so on and so on. So it is temporary I think that you are getting at, so that I can certainly find out for you.

MR. NEARY: Well do not let the session adjourn, you know, without giving the House the information.

MR. DOODY: I feel right now that the session will not adjourn. How many people are on the public payroll? As I indicated in the budget, it is something between 28,000 and 29,000 people on the provincial public payroll.

MR. NEARY: How has it grown over the last three or four years?

MR. DOODY: It is pretty close to last year's figure. I think there was a net decrease of about 350 people last year over this past year.

MR. SMALLWOOD: And that includes teachers.

MR. DOODY: That is teachers, hospital workers and this sort of thing. All these people who are on the public payroll, although some of them are not directly paid by government.

MR. SMALLWOOD: Does that include seasonal workers for the Department of Highways?

MR. DOODY: That would be the highway people. The open-vote employees as we used to call them. Now they are all the MOS.

MR. SMALLWOOD: The work force is about 180,000?

MR. DOODY: Yes, it is almost about the same number as are employed in the primary industry production. I think we got about 35,000 people in the fishery and woods and so on, and here we got about 28,000 or 29,000.

MR. SMALLWOOD: You will add to the 28,000 or 29,000 the federally paid employees.

MR. DOODY: And the municipal. You get up around 45,000.

MR. SMALLWOOD: Municipal is about 2,000?

MR. DOODY: Yes.

MR. SMALLWOOD: And federal is about ?

MR. DOODY: You get a total of about 40,000 people, I think.

MR. SMALLWOOD: 28,000 - that is 12,000. Yes.

MR. DOODY: And then -

MR. SMALLWOOD: 2,000 for municipal, 10,000 federal, 28,000 provincial, 40,000 of a work force of 180,000.

MR. DOODY: Yes. And as I say in the primary production field in the Province I understand there are about 35,000 people employed in farming, fishing, logging, and they are the producers.

MR. SMALLWOOD: Mining .

MR. DOODY: Mining.

And then we have got about 15,000 people in the construction industry who are to a large extent, and have been to a large extent, dependent on government capital projects.

MR. SMALLWOOD: Federal or provincial.

MR. DOODY: Federal or provincial.

MR. SMALLWOOD: Does the minister think we can go on like that?

MR. DOODY: I mean it is just a cock-eyed economy.

MR. SMALLWOOD: Crazy.

MR. DOODY: There is no discretion to it at all. It is completely irrational.

MR. SMALLWOOD: Yes.

MR. DOODY: And bringing these figures to the foreground, I am certainly not saying that it is a reasonable and sensible approach to running an economy. I am saying quite the opposite. It just not make sense at all. There has to be a production base, a tax base, an economic base to support all these horrendous numbers that we have got in this horrendous document. The public service bills, the hospital bills, the water and sewage bills, all these bills have got to be paid, and 35,000 people are going to pay them all?

MR. SMALLWOOD: Would the minister not agree

Mr. Smallwood:

that in addition to the 40,000 who get their living directly from the Treasury, there are tens, and tens, and tens of thousands of others who are not - in important work, but not productive work - clerks and office workers and shopkeepers and all kinds of people like that they are not miners, they are not loggers, they are not factory workers, they are not mill workers, they are not fishermen, they are not miners but they are important people and they are human beings but they are producing nothing,

MR. DOODY: That is right. There is no question about that.

MR. SMALLWOOD: The actual produces amount to what about?

MR. DOODY: Thirty-five thousand people.

MR. SMALLWOOD: Out of 180,000?

MR. DOODY: That is right, Sir. As I say these service industry people of whom you speak, I am the first to agree that they are not unimportant, having come from the grocery business, but I realize exactly what you mean, the grocery dollar that was coming in over in the store came from the guy who sold the fish down in Steers Cove.

MR. SMALLWOOD: Right.

MR. DOODY: And once again one does not need the great economy background as my friend from LaPoile (Mr. Neary) says to recognize the basic facts of life.

MR. SMALLWOOD: Right.

MR. DOODY: You have got to get some production and productivity has been a theme that the hon. member for LaPoile has been stressing.

MR. SMALLWOOD: It is nothing short than frightening.

MR. DOODY: These numbers are devastating. They are frightening.

MR. NEARY: For every dollar you spend, there has to be a dollar earned.

MR. DOODY: And it is a welfare system, and a welfare state that we have gotten ourselves involved in, and as long as all of these things - it does not seem to make any great difference, the retail sales tax figures one would think - quoting - if one looks at the

Mr. Doody:

employment statistics or the unemployment statistics and the numbers that I have just mentioned, one would expect to see a startling, frightening drop in the retail sales.

AN HON. MEMBER: Not so.

MR. DOODY: But that has not happened.

MR. SMALLWOOD: No, for a good reason.

MR. DOODY: Because Ottawa pumps in all -

MR. SMALLWOOD: A quarter of a billion for unemployment insurance.

MR. DOODY: Exactly. The biggest industry we have now is cashing cheques that come in the mail -

MR. SMALLWOOD: Right.

MR. DOODY: - and at the post offices around the communities.

MR. ROBERTS: The largest is the Provincial payroll.

MR. DOODY: The largest is the Provincial - well that is cashing cheques that come in through the mail, they are not productive in terms of splitting fish or building trawlers or what have you.

MR. SMALLWOOD: Most of that is from Ottawa.

MR. DOODY: The Atlantic Lotto. We expect to get about, I think, it is \$4 million from the Atlantic Lotto this year. The Province of Newfoundland is a member of it under licence, which is legal, we are licenced by Order-in-Council under some act of the Statutes, which I do not have before me. It is perfectly legal to be in under these circumstances. It may be to the advantage of the Province to bring forth that Atlantic Lotto Bill and debate it again. Legally it is not necessary, I am told. But I do not think that is really the issue that the member was getting at. He wanted to know who our directors are on the Board? The Chairman of the Board of Directors of Atlantic Lotto is one of the three senior people - well, the Secretary of Treasury Board is Mr. Vic Young, he has two - in effect, deputy ministers or ADMs, one of them is a gentleman named Dave Norris who looks after collective bargaining and budgeting, and the other gentleman is a gentleman named Taylor - David Roberts -

MR. SMALLWOOD: Three civil servants.

AN HON. MEMBER: David Roberts.

MR. DOODY: Dave Roberts, God he will never forgive me.

MR. SMALLWOOD: They are all civil servants?

MR. DOODY: Yes. David Roberts and Peter Kennedy are the two directors from the Province, two members of Treasury Board.

MR. SMALLWOOD: Do they get paid?

MR. DOODY: No, no. They are civil servants, public servants.

MR. ROBERTS: How many in this public service who are on boards get paid, for example, CFLCo Board or anything else, do they get anything over and above their -

MR. DOODY: No, when they are travelling it is out-of-pocket expense, just their travelling claims.

MR. ROBERTS: Paid by the government or paid by the companies concerned?

MR. DOODY: That is an interesting question, I have never asked them. I do not know. But I know they submit the travel claim, I hope they submit it to the company.

MR. ROBERTS: There is a great whack of directors fees paid out by CFLCo, who gets them all?

MR. DOODY: They would be the non-government directors, there are two or three from Quebec Hydro and there are two or three from the Province of Newfoundland. Who are they, off the top of my head?

MR. ROBERTS: They are the government in the sense -

MR. DOODY: The government appointed them, but the civil service people do not get any extra reimbursements.

MR. ROBERTS: How about Hydro, do any of them get paid anything over and above any salaries they might get?

MR. DOODY: No.

MR. ROBERTS: How about tabling a list showing the directors fees paid by Hydro, if any, to the outside directors?

MR. DOODY: Can you get that?

MR. DOODY: Okay.

MR. ROBERTS: It would be interesting.

MR. DOODY: How is the hiring done for the sale and distribution of tickets in the Province of Newfoundland? It was done by the firm

MR. DOODY: of consultants who are hired by the board and management of Atlantic Lotto who came down to the Province of Newfoundland - and the name of consultant firm escapes me. That will tell you how closely I was associated with it. They interviewed numerous applicants and selected those whom they thought most fitting and most capable of doing the job of selling and distributing the tickets.

The Province of Newfoundland, other than the two public servants as directors, had absolutely no input whatsoever into the hiring of the people who are involved in selling the tickets. I think hon. gentlemen opposite probably realized that, because had there been any political input in there at all the howls and screams and screeches would have arisen before now.

MR. NEARY: We do not know who they are. Can we have a list of them?

MR. DOODY: I can get you a list of them. I do not know who they are either, to tell you the truth.

MR. ROBERTS: That one was handled in the way the issuers of marriage licences was.

MR. DOODY: That is right. And it certainly was not handled the way that the - it was done in Nova Scotia where we almost lost the Province's part of the Atlantic Lotto because they insisted that their Minister of Recreation was going to hire the distributors. He said that he did not need any flippant bunch of consultants to come in and hire them, he knew who the best people were, they were his poll captains. Anyway, he decided that that was not the proper approach when Mr. Hatfield and others had a little chat with him.

MR. NEARY: Are there any Tory hangers-on who got the job distributing tickets here in Newfoundland?

MR. NEARY: How about over in Port de Grave?
What would you call that, if it is not political
patronage?

MR. DOODY: I do not know. I do not know.
I do not know what their religion is, I do not know
what colour their skin is, I do not know what their
political affiliation is and I do not know what it is.
But if you want to go on another little witch hunt
I will give you the names and you delve into it and
dig some dirt out of it and have the time of your life.

MR. NEARY: Give us the list and let us
go over it with a finetoothed comb. We cannot say or
do anything about it until we get the list.

MR. DOODY: I will get you the list and
you can stay home nights picking them off and see who
is a Tory and who is the NDP and who is a Liberal and
who is an Independent Liberal.

MR. NEARY: You are beginning to sound like
John Crosbie now.

MR. DOODY: I know, I have been spending too
much time on Lab. Linerboard.

MR. NEARY: Yes, that is right. You are
sounding like John Crosbie.

MR. DOODY: That is true boy. You have
that influence on people. You drove poor old Crosbie to
Ottawa, and I do not know where you are going to drive
me.

MR. NEARY: I will drive you back to Duff's.

MR. DOODY: That is closed. They folded
shortly after I left. They could not stand the shock.

MR. NEARY: Oh they did eh?

MR. DOODY: And the price of food went up.

MR. NEARY: Come on now, get on with the
answers.

MR. DOODY: I am trying to. You keep interrupting me.

Newfoundland Computer Services:

I will have to get the detail for you on that. It was done by public tender and everything in it was done by public tender. I have a list of it in the office. It was checked very carefully and done very carefully. It is being financed through a line of credit from the Bank of - I do not know if it is the Bank of Montreal or the Bank of Nova Scotia. One of the two banks.

MR. NEARY: How much is the building going to cost?

MR. DOODY: Somewhere between \$2 million and \$3 million. They will repay the cost of the -

MR. SIMMONS: They raised the loan.

MR. DOODY: They raised the loan themselves. It is a self-liquidating loan.

MR. ROBERTS: Sure. After all, all their money comes from the government.

MR. DOODY: We are their customers anyway.

MR. ROBERTS: One way or the other you pay the shot for everything.

MR. NEARY: They are not a law unto themselves, you know.

MR. DOODY: Oh no, no. There were three government ministers or directors of the computer services.

MR. ROBERTS: No, no, no, no, three ministers are shareholders, officials or directors.

MR. DOODY: Shareholders, that is right. The Minister of Health, the President of the Council and myself are the three shareholders.

MR. DOODY: I am sure the annual meeting is a treat.

MR. DOODY: The annual meeting does not take -

MR. H. COLLINS: The annual meeting takes place every year.

MR. ROBERTS: Oh, I am sure. That is one thing the minister does; if only we could find a second thing the minister has done in four years in office.

MR. DOODY: The directors of the company and the people who keep it on its efficient and capable course are senior public servants. Once again it is Mr. Miller, the Chairman of the Corporation and Mr. Young, Mr. Martin and several others.

The tenders were called but the hon. member wants the names of all the contractors and sub-contractors, and all these things that were involved in it. That is another one that I have absolutely no hesitation in bringing forward, as with Atlantic Lotto.

On the Newfoundland Liquor Commission, my not providing that information to the member is inexcusable because it has been up on my desk for some time. I do not know what the cost of the security arrangement is. I phoned the Corporation and asked them to supply me with that.

The way they went about that is they went through the Yellow Pages, they saw the six - I think it was six - names in the security business who were listed, phoned them all and asked them to make a submission as to the cost of providing the security service. This they did and they picked the one who had the lowest per hour rate as the person who would do the security service. I have the names of

MR. DOODY: the companies and the hourly rate that they submitted and I have no hesitation once again in -

MR. NEARY: Does the minister not agree that that is a strange way to do business, go through the yellow pages, pick out the phone numbers, call up these people and say, will you give us a submission? That is a kind of a sloppy way to do business, is it not?

MR. DOODY: I do not think so.

MR. NEARY: Why not call public tenders, put the ad in the newspaper.

MR. DOODY: Because they wanted to evaluate the services too, I guess. As it happens they -

MR. NEARY: Yes, I know what they wanted to evaluate.

MR. DOODY: What did they want to evaluate?

MR. NEARY: I will tell the hon. minister sometime, when I get in full flight.

MR. DOODY: I think I will hold this for later then. Anyway that is the story on the - to the best of my knowledge - Newfoundland Liquor Commission. But the hon. member, through his usually reliable sources has his ear closer to the gutter than I and -

MR. NEARY: Well at least Duff Roblin did not get it.

MR. DOODY: Duff Roblin, no he is the ex premier -

MR. NEARY: Although he is getting some jobs doing security work for the government - the Premier's buddy.

MR. DOODY: Duff Roblin is the ex premier of -

MR. NEARY: But he owns the security service and he is doing some work for the government right now.

MR. DOODY: Duff Roblin.

MR. ROBERTS: He is running Canadian Pacific, is he not?

MR. NEARY: Well, he owns a security service and he is doing some work for this government right now - the Premier's buddy.

MR. DOODY: Is Duff Roblin the Premier's buddy?

MR. NEARY: Yes he is, yes.

MR. DOODY: He is moving in great company. I never get involved in it.

MR. NEARY: He will have it all under his wing before he is finished. He is just moving in now.

MR. DOODY: Duff is.

MR. NEARY: Yes, gradually moving in.

MR. DOODY: Well perhaps there is hope for me after all. I might get a job with one of them fellows. Marystown Shipyard-you will have to re-direct the question to the Department of Industrial Development, That is the simplest way of doing that. The office space questions that you asked, the Department of Public Works will have to supply the answers. I do not have them. I have no idea in the world of how much office space there is or how much they rent. I know that each submission for rental of office space comes to Treasury Board for authority before it is granted.

MR. NEARY: Are public tenders called on all these ?

MR. DOODY: I do not think there are tenders called on office space. I think it is done -

MR. NEARY: Well, did you go through the yellow pages. Do they go through the yellow pages and pick out a few names and call them up?

AN HON. MEMBER: You got to go to tenders or something like that.

MR. DOODY: I do not know. It is tenders or proposals, anyway the Minister of Public Works is far more familiar with that sort of thing.

MR. NOLAN: Does the Treasury Board have anything -

MR. NEARY: Does Treasury Board go through the yellow pages and pick out a few numbers and call them up?

MR. NOLAN: Does the Treasury Board know there is going to be tendered or not? They should

MR. DOODY: There is a set of guidelines set out on space in access of a certain amount. A certain number of square feet or cubic feet - whatever it is that they have to call tenders on. I think it is 5,000 or 3,000 -

MR. NEARY: That is like the \$15,000 amounts under the Public Works Department.

MR. DOODY: The same thing.

MR. NEARY: They can get around it by just making it under 15.

MR. DOODY: Well that is right, they probably put up partitions.

MR. NEARY: Well they are taking down partitions over in Elizabeth Towers night and day.

MR. DOODY: Are they?

MR. NEARY: Newfoundland Hydro.

MR. DOODY: Shocking goings on.

MR. NEARY: Well it is, terrible.

MR. DOODY: And how much insurance and how many buildings - there is an amount, there is a sub-head there that shows that the insurance - cost of insurance will be up this year on- it does not say on how many buildings, I can get that information for you. Obviously the -

MR. NEARY: Are public tenders called for the insurance for these buildings?

MR. DOODY: Proposals are called.

MR. NEARY: Proposals, again from the yellow pages. Go to the yellow pages, pick out a few numbers and call them up.

MR. DOODY: No, no! It is not. There are done from the various - all the various insurance companies are called and asked to propose and make a proposal on Burgeo Fish or whomever -

MR. NEARY: All of them, all of them are called ?

MR. DOODY: And the best proposal is accepted. And it is not always necessarily the lowest proposal. Because insurance -

MR. NEARY: Can the minister confirm that all the insurance companies are contacted?

MR. DOODY: The minister can confirm that to the best of his knowledge and ability -

MR. NEARY: But without any strings, a simple yes or no answer.

MR. DOODY: I can not give you a simple yes or no because I do not look after that -

MR. NEARY: Can the minister tell this House whether or not public tenders are called in all cases of insurance on public buildings?

MR. DOODY: The minister says to the best of his knowledge and ability -

MR. NEARY: A simple yes or no answer.

MR. DOODY: I cannot give you a yes or no because things are not black and white.

MR. ROBERTS: Can the minister yield for a moment?

MR. DOODY: Sure, I have been yielding

MR. WHITE: That is the right way.

MR. ROBERTS: I gather there is about ten minutes left in the time which we have allotted for this head, and it seems to me that this discussion has probably got as far as it can at this time.

I want to go back to Linerboard where the minister tabled -

I assume the minister tabled it has been put on my table.

MR. DOODY: Yes, I thought it might -

MR. ROBERTS: I do not know who but the minister would be guilty of perpetrating this sort of thing. I just want to ask if he could let us have - you know, we are getting it one stage at a time. We now -

Mr. Roberts.

have an indication of how much interest cost is to be paid out each year to Linerboard and that is a fixed cost obviously. It has nothing to do with whether the mill is open, shut or in between.

MR. DOODY: That is right.

MR. ROBERTS: What I need to know now - let me take the 1977 year where it says, Interest costs \$8.9 million, and that is part obviously of an operating loss of \$40.8 million, so therefore there is \$31 million presumably that would be - \$8.9 million from \$40.8 million is \$30.9 million, unless arithmetic fails me. There is \$30.9 million that is, if you wish, an operating loss that is a reducible operating loss if one shuts the mill as the government talk of, but we will come to that.

But down below there is another figure: Province's investment \$256 million. I would like to know what it costs to service that, because at 10 per cent, which is, you know - I do not know what the mean figure on our interest is now, Mr. Chairman, but 10 per cent is probably as good as we are going to get. That is \$25 million in interest, and then there must be a sinking fund component of perhaps another 1 per cent or 2 per cent. So we are talking of - 2 per cent is another \$2 million or \$3 million - we are talking of \$25 million, \$28 million, \$30 million a year on interest and capital on the Province's debt. In other words if one adds those two figures together, Mr. Chairman, you know, you are somewhere between \$35 million and \$40 million that it is going to cost this Province for Linerboard this year whether it is open or shut. Is the minister with me? My figures may not be correct.

MR. DOODY: Do you want to say that again, the last sentence?

MR. ROBERTS: As I understand it, it will cost between \$35 million and \$40 million a year based on these figures in respect of Linerboard whether the mill is open or shut. That

MR. ROBERTS.

is what I understand, but I put it as a question, because my problem is I am not sure we have all the information.

MR. DOODY: My understanding is that this year if we shut the mill, it will cost us about \$26 million. If we leave it open, it will cost us about \$54 million.

MR. ROBERTS: Well, can the minister -

MR. DOODY: So, I think -

MR. ROBERTS: But all I need is - if the minister can get me the information.

MR. DOODY: I will just substantiate it, yes.

MR. ROBERTS: I do not quarrel with his understanding at this point. You know, we are a little further ahead. We now know that \$9 million is interest, and that is interest on the debt, an operating charge.

MR. DOODY: I thought this would be helpful. That is why -

MR. ROBERTS: Well it is helpful. You know, John Henry Cardinal Newman said, "One step enough for me." Well, it might have been enough for Cardinal Newman. It is enough for me in the first instance. But now that we have taken one step, can the minister undertake - actually, I do not know if it is possible for the minister to perhaps allow two or three of us to sit down with some of his officials or some of the people handling Linerboard to -

MR. DOODY: That could very well be useful.

MR. ROBERTS: - ask questions. There is an immense amount of information that ought to be made public. I do not want anything that is confidential, but now that the thing has publicly been declared a disaster, which is what the government have done, I am not sure there is very much that ought to have been hidden, you know very much at this stage that ought to be kept confidential.

MR. SMALLWOOD: We are going to have to debate it.

MR. ROBERTS: My problem is we are going to have to debate it. It is a very serious subject, very important. It is awfully hard to debate it properly without, you know, adequate information. We will debate it. We will debate it as best we can, but I think the debate would be a lot better if we had information, and that is why I am asking, because these figures do not square with the figures in the minister's estimates, because in the estimates there is \$18.8 million shown for capital, and \$8.8 million on an operating loss. Well the operating loss obviously will be much less than is forecast in this latter table, because the mill is being phased down and being closed. But the capital \$18.8 million bears no relationship to the other figures which we have so, you know, the thing just gets like, Alice in Wonderland, more and more complex and more and more confused, and more and more wonderful to use Alice's phrase, I believe, as we go on. So can the minister give us this extra information if he would please?

MR. DOODY: There is merit in the suggestion of the hon. Leader of the Opposition that perhaps a couple of productive hours could be spent sitting down with officials. On Thursday we are having the comptroller of Linerboard - I hope we - I can change that. I can get him to come in on Wednesday perhaps. Mr. Kent Steward, perhaps he and one of our ADM's -

MR. ROBERTS: But they are not going to tell us anything that they ought not to tell us.

MR. DOODY: No, no, no! The only thing I was going to say: There were two things that the member raised which I think have merit. One of them is a suggestion that he could supply me with a list in a letter form or something or other -

MR. ROBERTS: It may take a day or two to do it, but -

MR. DOODY: Yes, sure.

The other thing is, as I say - the only information that I would be hesitant to put forward would be inter-departmental, inter-company correspondence in which there are names of people and so on ~~which~~

MR. DOODY:

which are no longer relevant, which do not affect -

MR. ROBERTS: We have got most of that anyway -

MR. DOODY: - the ultimate outcome of the whole thing.

MR. ROBERTS: - not most of it, a lot of it anyway.

MR. DOODY: A lot of it is probably scuffle-butt or whatever.

MR. ROBERTS: In the age of Xerox machines nothing is secret.

MR. DOODY: Yes. You know, -

MR. ROBERTS: But we will table the memorandum on the slush fund maybe one of these days.

MR. DOODY: Between the Xerox machine and the hon. member for LaPoile (Mr. Neary) there are very few secrets.

MR. NEARY: What is that? What is that?

MR. DOODY: I said between the Xerox machine and the hon. member for LaPoile there were very few secrets left in the world.

MR. NEARY: I am as leaky as a basket, boy.

MR. DOODY: It is a good way to have it.

MR. ROBERTS: That is the way it should be.

MR. DOODY: That is a good way to have it.

MR. ROBERTS: I think we should have a freedom of information act.

MR. NEARY: It is not a good way for me to have to get information though.

MR. DOODY: Yes, but that is because you refuse, you want to align yourself -

MR. NEARY: I am worn out trying to keep the government on its toes.

MR. DOODY: If the hon. member would align himself with some political party and make a decision one way or the other he would find things a great deal easy, and even simpler.

MR. NEARY: No. I would not. Then I would not get the information because they do not trust the oldline parties.

MR. NOLAN: Since you left which one?

MR. NEARY: Either one, I am not talking about my friends on my left - which one!

MR. DOODY: When the hon. member makes his decision and crosses over to one side or the other he will find himself right up to his elbows in all sorts of brand new information.

MR. ROBERTS: Then can the minister supply me with some information I asked him for three months ago?

MR. DOODY: Yes. What is that, I am not -

MR. ROBERTS: Mr. Chairman, very simply. We have bond issues. I want to know how much we raise from each bond issue? And I want to know who gets whatever we do not get? Because let us take - we whacked one out the other day Luxemburg \$50 million U.S. at 9 per cent, sold at a bit of a discount. Now we did not get the full amount of that, and I do not say that in any accusatory sense, we never do. There are fees which ought to have been paid. The gentleman who did us the kindness to sell the issue, Messers. A. E. Ames and a number of other public spirited gentlemen -

MR. DOODY: That was on the Prospectus that I gave this morning.

MR. ROBERTS: - they are entitled to a pound of flesh. And then there were legal counsel involved. I would ask Your Honour to guess, perhaps my friend for LaPoile (Mr. Neary) can take a guess whom they might be. An eminent firm, a well known firm.

MR. DOODY: Guaranteed.

MR. MURPHY: Curtis and Dawe.

MR. ROBERTS: I am sorry ?

MR. MURPHY: Curtis and Dawe.

MR. ROBERTS: No, it was not quite that good. It was nearly that good though, It was Messers. Wells, O'Dea, Halley, Earle and Shortall of St. John's -

SOME HON. MEMBERS: Oh, oh!

MR. ROBERTS: - so a special Canadian Counsel to the Managing Underwriters.
Now it can be said -

MR. DOODY: That was no -

MR. ROBERTS: It can be said, Mr. Chairman, that these amounts are not paid directly by the Province. Particularly the lawyers fees, we can hide and say, Oh they are paid by the Underwriters, but the minister

Mr. Roberts:

will agree with me that the Underwriters are receptive to suggestions as to who counsel should be, it is all the same to them.

MR. DOODY: They would be hesitant -

MR. ROBERTS: I have no doubt that the firm of Wells, O'Dea and Halley, etc. was perhaps chosen as a result of a hint which was dropped in the ear of the Underwriters, and their fees are paid by the Underwriters, but they come - if we sell a \$50 million bond issue we might get \$49 millions from it.

MR. DOODY: That is right.

MR. ROBERTS: And the other million goes to pay legitimate and proper expenses. All I want to know, who gets what? and how much? I asked him months ago in respect of one bond issue -

MR. DOODY: This is it -

MR. ROBERTS: I have not gotten it yet.

MR. DOODY: No, that is my fault again.

MR. ROBERTS: Well then again, and I may add, I will give the minister notice, I have prepared downstairs one question in respect of each bond issue the government have floated, and they are all the same questions. I hope the answer are not. But how much, you know, are legal fees getting - I do not care who gets them, because if it is not Wells, O'Dea it will be some other firm, some lawyer gets them, since I am not practicing I am not eligible to get them, and I do not want them. And who gets what?

MR. DOODY: Can I read the -

MR. ROBERTS: Yes, sure.

MR. DOODY: - hon. member. How am I doing, Mr. Chairman?

SOME HON. MEMBERS: Oh, oh!

MR. DOODY: The Province of Newfoundland Euro-U.S. bond issue which is the prospectus -

MR. ROBERTS: This is the Luxemburg?

MR. DOODY: That is the prospectus that is there. A.E. Ames, Credit Commerciale du France firms

MR. ROBERTS: Etc. yes.

MR. DOODY: Yes. \$50 million U.S. 9 per cent February 15, the proceeds plus premium \$50 million, plus half per cent - that is \$250,000 - accrued interest \$50 million at nine days, it was nine days sitting there before we got it, which gave us another \$112, 500 which brought the \$50 millions -

MR. ROBERTS: \$112,000 nine days interest.

MR. DOODY: Yes.

MR. ROBERTS: Go ahead.

MR. DOODY: \$50 million bucks is a lot of money.

MR. ROBERTS: You are damn well right it is.

MR. DOODY: Less Underwriter's commissions, and you know you are absolutely - I do not know if it is an estimate or if it is a leak or if it is -

MR. ROBERTS: It is an estimate in my figures.

MR. DOODY: Well yes you are pretty well dead on. Less Underwriter's commission \$50 million times two and a half per cent -

MR. ROBERTS: Two and a half per cent?

MR. DOODY: - times two and a half per cent -

MR. ROBERTS: You are paying two and a half per cent?

MR. DOODY: One and a quarter million dollars.

Issue expenses \$60,000, \$1,310, 000, net proceeds \$49,052,500.

MR. ROBERTS: You are paying -

MR. CHAIRMAN: Order, please. I have to inform the Committee that the time allotted for this heading has elapsed.

MR. ROBERTS: You are paying two and a half per cent to the Underwriters?

MR. DOODY: In Europe.

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: Shall 401-01 carry?

On motion 401-01 carried.

SOME HON. MEMBERS: Nay. Nay.

MR. CHAIRMAN: Do all other subheads under Heading IV carry?

Carried.

On motion, Heading IV, all items carried.

MR. CHAIRMAN: Head III, subhead 301-01.

MR. NEARY: We are going back to Executive Council again are we? No? Premier's Office.

AN HON. MEMBER: Executive Council.

MR. NEARY: Executive Council then.

MR. CHAIRMAN: The time allotted for this head is two hours.

MR. NEARY: Two hours.

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, of course we could take the whole two hours, Sir, discussing the escalation in the cost of operating the Premier's Office, the Executive Council Office and the Cabinet Secretariat. If there was ever a classic example of empire building in this world it is right under this subhead III, Executive Council.

Who is going to answer? The Premier is not in his place in this House. Who is going to answer? The hon. Minister of Finance -

MR. MCNEIL: I thought we were going to postpone it until the Premier returns.

MR. NEARY: Yes, Sir, I thought we were going to postpone it, Mr. Chairman, until the Premier came back. Because we have got to have a few darts at the Premier over this.

MR. ROBERTS: It is bad enough the Premier only visits the Province, but ought he not be here for his own estimates.

MR. NEARY: I would say so. Are we going to postpone it or are we going to carry on or what?

MR. ROBERTS: I think we should postpone it until the Premier gets here.

MR. NEARY: Why do we not carry on with Manpower?

MR. ROBERTS: We have got Manpower. We can do Consumer Affairs.

MR. PECKFORD: Mr. Chairman, I called this head because it is my understanding that the Premier will be here this evening and we had

MR. PECKFORD: twenty minutes to go and I did not want to get into another department at that time but rather call the Executive Council.

Now if everybody feels strongly about it -

MR. NEARY: Yes, boy, go on and do it.

MR. PECKFORD: - we can waive it but -

MR. NOLAN: We could deal with the Treasury Board portion of it in the intervening time?

MR. NEARY: Could we? Labour and Manpower.

MR. PECKFORD: Yes, we could do that part of the Executive Council and just organize your time so that you still have an hour and a half left at the rest of it so if hon. members will agree.

MR. ROBERTS: If the Premier is not here at eight o'clock could we then postpone these and come back to the head? I do not know if the Premier is going to be here.

MR. PECKFORD: My problem, Mr. Chairman, was simply that I did not have another one ready to go right at the present moment, because a lot of the ministers were aware and I was going to call it.

MR. ROBERTS: But it is still wrong to debate the Premier's Office when the Premier is not here to put up whatever defence he can.

MR. PECKFORD: Well you know you are taking it from that angle to -

MR. ROBERTS: - the Premier is taking it from the Province.

MR. FLIGHT: There is no defence.

MR. PECKFORD: But nevertheless why wait for him to come back? I mean if you have already convinced each other there is no defence so what is the point?

MR. ROBERTS: We would like to hear if he has a defence.

MR. NEARY: I presume we are going to carry on, Mr. Chairman.

MR. CHAIRMAN: That is my understanding at the moment.

AN HON. MEMBER: Government arrogance.

MR. NEARY: Well, Sir, the first subhead under item III of Executive Council is 301 - Lieutenant-Governor's establishment.

Now, Sir, every year we walk on egg shells as far as the vote to the Lieutenant-Governor's establishment is concerned. Now I am going to suggest now, Mr. Chairman, in view of the belt tightening and the austerity programme that seems to be in effect by the government imposed on the ordinary people of this Province, and Mr. Chairman, I am sure that His Honour, the Lieutenant-Governor would not mind also making a little bit of a sacrifice.

Mr. Chairman, we cannot, as elected representatives of the people, as the people in authority, we cannot expect the ordinary people of this Province to make sacrifices, to ask ordinary people to make sacrifices when we ourselves are not prepared to make sacrifices and tighten our own belts.

I hope, Mr. Chairman, that what I am going to suggest will not be interpreted as an attack on the Queen because I can tell the hon. House now it is not an attack on the Queen. But I would submit, Mr. Speaker, to the Committee that spending \$367,900 , \$368,000 on the Lieutenant-Governor's establishment is too much. And all I am suggesting, Sir, is that the government look at the possibility of reducing the cost of the Lieutenant-Governor's Establishment. That is all I am asking. I am not attacking the Queen. I am not attacking the Lieutenant-Governor I am merely saying Mr. Chairman, that the cost of operating this establishment is escalating year after year after year.

MR. DOODY: Are you suggesting that

MR. DOODY: You have amendments for His Excellency.

MR. NEARY: No, Sir, and it is not an attack. It is merely - I am sure, Mr. Chairman, that His Honour, who is very familiar with this House, is well known, that His Honour would be the first -

MR. DOODY: And he is an Ex-Minister of Finance.

MR. NEARY: Yes, that is right. In the Interim Government, was it not?

MR. PECKFORD: He had enough sense to get out after three months.

MR. DOODY: He took one look at it and quit.

MR. NEARY: - that His Honour would be the first to suggest and recommend that His Honour lead the way in this programme of austerity and belt tightening.

MR. ROBERTS: No, I am not crossing to join the hon. gentleman.

MR. NEARY: I thought the hon. gentleman was coming to invite me down to this -

MR. ROBERTS: Well, after having a talk with the gentleman for St. John's East (Mr. Marshall) anything could have happened.

MR. NEARY: Is the hon. gentleman coming over or what?

MR. ROBERTS: Well, "Still the light holds out to burn."

MR. NEARY: I am sure, Mr. Chairman, that His Honour would be the first to want to show a good example to the ordinary people of this Province. I am sure that His Honour would not mind getting rid of that gas guzzling limousine that the government bought for His Honour last year.

MR. DOODY: It takes two Volkswagens to park it.

MR. NEARY: Yes. No, it it probably longer than that. It probably takes up as much space as three Volkswagens.

But, Mr. Chairman, I am sure His Honour would not mind at all driving a smaller car, a compact car. I believe the President of the United States recently got himself a compact car.

MR. DOODY: A little Mark IV tank.

MR. NEARY: No, Sir. So, Mr. Chairman, I throw this out as a suggestion of just another way for the Newfoundland Government to save money. I am sure that it will not affect the function of the Lieutenant-Governor's establishment in any way, shape or form. But this year we are going to spend \$368,000. In my opinion, that is too much. If we are going to ask ordinary people to make sacrifices then all of us, all of us, I do not care, from the highest to the lowest, all of us should be prepared to tighten our belts, and I am sure that His Honour would not mind that.

Now the Premier's office: I am going to jump over that for the time being and go on down to Executive Council office and Cabinet Secretariat, Treasury Board Secretariat.

Treasury Board, Sir, is a law unto itself. That is -

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Chairman, there is nobody, but nobody in this Province, Sir, can dare question the Treasury Board Secretariat.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: They are a law unto themselves.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: They listen or take orders from

MR. NEARY: nobody.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: They are the real bosses. They are the ones who run this Province.

MR. NOLAN: And there is the chief.

MR. NEARY: They are the bureaucrats and the -

MR. ROBERTS: No, he is not the chief, that is the problem.

MR. NEARY: The hon. the Minister of Finance - even the Ombudsman would not dare question a decision of the Treasury Board. They are all powerful. They are God Almighty in this Province. The elected representatives of the people are just dirt under their feet.

MR. ROBERTS: Sure look at the description the Treasury Board wrote of the House of Assembly in Head II, if you want something offensive.

MR. FLIGHT: Get it out.

MR. NEARY: Head II.

MR. ROBERTS: Yes. "The House of Assembly consists of the elected representatives of the Province whose primary responsibility is to express the views, needs and wishes of their constituents in the study and debate of the law making process."

MR. NEARY: Yes, we are just a little bunch of schoolboy debaters. That is all we are in their eyes. We have nuisance value as far as they are concerned. We are the lowest form of life and if they had their way they would shut her down, shut down the House of Assembly. We do not need it.

MR. ROBERTS: Just a nuisance.

MR. NEARY: It is only a nuisance to this crowd. They are the people, Sir, who are running this Province. Planning and Priorities Secretariat; Treasury Board Secretariat.

Mr. Chairman, it is about time,

MR. NEARY: Sir, that we as elected representatives of the people pried the power away from this crowd and brought it back here on the floor of the House and put it back into the hands of the ministers. Every time a delegation comes in from outside St. John's to see the ministers about water and sewerage, about roads, about fishing facilities, about this, that or the other thing, do you know the excuse they get, Mr. Chairman? The ministers will say, Well look boy, it is not my fault; Treasury Board turned it down.

MR. DINN: I never said that yet.

MR. NEARY: The hon. minister is too green and too new in the business yet. But the hon. minister, it will not take him long to learn.

Every time a delegation or a committee goes to see a minister, the minister takes the cowardly way out and says, I am sorry, but I put it up to Treasury Board and they turned it down.

MR. SIMMONS: Yes, that is right.

MR. MURPHY: Is that a fact?

MR. SIMMONS: Yes, that is right.

MR. NEARY: That is a fact. The hon. minister is asking me if that is a fact!

MR. MURPHY: I am saying that is not a fact that they turned it down. You are not telling any lies. If Treasury Board turns it down there is nothing you can do about it.

MR. FLIGHT: Who is the boss?

MR. NEARY: No, Sir, it is not a lie

MR. NEARY: but, Sir, do hon. members realize that it is the elected representatives of the people who are responsible for the decisions, not Treasury Board, not Planning and Priorities, not Executive Secretariate, but the ministers. And it is about time the ministers faced up to their responsibilities and take it on the chin if they have to and do not try to pawn it off on a bunch of over paid-bureaucrats, mandarins.

MR. DOODY: There are no manderins or bureaucrats in Treasury Board.

MR. ROBERTS: What are they?

MR. DOODY: Secretariats maybe, but Treasury Board is a sub-committee of Cabinet.

MR. ROBERTS: Treasury Board staff.

MR. NEARY: Mr. Chairman, take a look at the salaries of these people. It would frighten you. It would frighten you. Again, Sir, I have to bring up this matter of asking -

MR. ROBERTS: Do not bring up in the House -

MR. NEARY: - the ordinary people of this Province to make sacrifices.

MR. DOODY: Let us bring it up. Table it.

MR. NEARY: Asking the ordinary people to make sacrifices, Sir, and here we are lashing it out right, left and centre, \$41,000 a year salary to the Secretary of the Treasury Board. \$41,000, the second highest paid, there are two top paid civil servants. One is the -

MR. NOLAN: Do not forget Dennis Groom.

MR. NEARY: No, hold on now. I am only talking about direct, drawing their salaries.

MR. ROBERTS: The Clerk of the Cabinet, who is worth every nickel he is paid.

MR. NEARY: The Clerk of the Cabinet - \$41,000, forty-one something thousand, and the Secretary of Treasury Board - forty-one thousand and some odd dollars.

MR. ROBERTS: And do not forget the Deputy Minister of Finance.

MR. NEARY: Yes. That is right. There is no way, Sir, the economy can stand it. And there is no way that we can ask the ordinary people of this Province to make sacrifices when we see such empire building going on as we see under this subhead. I call upon the government now, Sir, and I mention this as one of the ten ways for the Newfoundland Government to save money, is to stop further empire building by groups such as we see here in the Premier's Office over the past five years, Planning and Priorities Secretariat, Intergovernmental Affairs and the Newfoundland and Labrador Development Corporation.

MR. DOODY: And did you say the Lieutenant-Governor too?

MR. NEARY: No, Sir, I said reduce the cost of the Lieutenant-Governor's establishment. I am not going to be sucked into, Sir, of being accused of making an attack on the Queen or on the Lieutenant-Governor. As a matter of fact under my oath of insurrection, is it?

AN HON. MEMBER: Intestine insurrection.

MR. NEARY: Intestine insurrection.

MR. ROBERTS: You have to report all.-

MR. NEARY: We have to report all attacks on Her Majesty the Queen.

AN HON. MEMBER: That is right.

MR. NEARY: But, Sir, I am sure that His Honour, who represents the Queen in this Province, I am sure Her Majesty would want His Honour to show a good example to the people of this Province.

MR. DOODY: She wanted him well looked after.

MR. NEARY: By reducing the cost of running the establishment. And, Sir, the empire building by the groups that I have mentioned should be stopped. Premier Smallwood, when he was occupying the eighth floor, I believe the hon. gentleman had, let me see, he had his secretary, three secretaries, he had about five, about five or six people.

MR. DOODY: Is this from memory now or did you see it?

MR. NEARY: No, I saw it myself. I worked on that floor for a year or so when I was in charge of transportation. There was Mrs. Templeman, Miss Duff, Mavis, that was three secretaries, then there was the gentleman who looked after the mail down there, the gentleman who cut his hair.

SOME HON. MEMBERS: Hear! Hear!

MR. NEARY: There were about six. I would say at the outside six.

MR. MURPHY: You were in charge of the elevator, looked after the transportation.

MR. NEARY: No. No. The elevator was private. We all had to turn in our keys -

MR. PECKFORD: I think you are splitting hairs now.

MR NEARY: - a couple of times a year.

MR. NEARY: But, Mr. Chairman, to be serious for a moment, there were only about six people working on that floor and now -

MR. ROBERTS: There are only six there now.

MR. NEARY: No, I doubt if there are six working there now. I mentioned before about that.

MR. ROBERTS: A lot more employed.

MR. NEARY: - you could hardly come into Confederation Building, Sir, but if you came up in the elevator and you happened to stop on the eighth floor she was blocked off. It did not make any difference if you were a welfare recipient or if you were a multi-millionaire, you would get to see the Premier of this Province at some time or other. The floor was there, she was blocked. They were

Mr. Neary:

sitting on the floor, sitting on benches -

MR. DOODY: The next election.

MR. NEARY: Today, Sir, it is just like a morgue, not a soul to be seen down there.

MR. DINN: Nothing to complain about.

MR. NEARY: I beg your pardon?

MR. DINN: They have nothing to complain about.

MR. NEARY: They have nothing to complain about. My hon. -

MR. ROBERTS: The hon. minister may believe that, and that is part of his problem.

MR. NOLAN: I hope the press will quote you on that.

MR. NEARY: My hon. friend the Minister of Municipal Affairs says they have nothing to complain about. Well the Mayor of Pouch Cove and the Mayor of Torbay have something to complain about and the Mayor of Placentia has something to complain about.

MR. DINN: They should come in too. They are all welcome.

MR. NEARY: And if they cannot get satisfactory from the hon. minister they want to go see their Premier, the Chief Executive Officer.

MR. MURPHY: No, it is changed now, 'Steve'.

MR. DOODY: Treasury Board.

MR. MURPHY: The ministers can see them now, not the Premier.

MR. NEARY: Mr. Chairman, I would say that the crowd down at Balley Hally, the millionaires down at Bally Haly have a better chance of seeing the Premier of this Province than the ordinary citizens do.

AN HON. MEMBER: By far.

MR. MURPHY: The millionaires at Bally Haly -

MR. NEARY: And the millionaires and those in charge of the golf courses in Nassau and in Florida, and down here at Bally Haly have a better chance to see the Premier than the people of this Province have.

MR. MURPHY: What would they want to see him for?

MR. NEARY: What do they want to see him for?

MR. MURPHY: They got all the ministers -

MR. NEARY: They want to come in and air their grievances.

MR. MURPHY: In the hon. minister's day there was no one could talk to him or tell him anything so they had to go and see the Premier and he knew it all. But today you have competent ministers that is what is taking the traffic off.

AN HON. MEMBER: Oh, oh!

MR. MURPHY: That was the story we heard.

MR. NEARY: Ah, Mr. Chairman, what a joke. What a joke!

MR. MURPHY: You know the little dangle thing we used to do, you know, -

MR. NEARY: Mr. Chairman, there is no way that the ordinary person can get through the bureaucracy. There is no way that the ordinary person can get past the buffer zone, the barricades that are put up by men like the member for Mount Pearl (Mr. N. Windsor), and the member for Naskaupi (Mr. Goudie), and all the other people that are - the obstructions that are thrown in the way of the ordinary people from getting to see the Premier.

MR. MURPHY: Do not waste it all now -

MR. NEARY: The only chance that they have is to stand on the front step of Confederation Building, and on rear visits to this building they might get a chance to sprag, to intercept the hon. the Premier as he rushes toward the private elevator.

AN HON. MEMBER: Sprag?

MR. NEARY: I beg your pardon?

MR. ROBERTS: By the Long Harbour river.

MR. NEARY: Well if you had a helicopter -

AN HON. MEMBER: Craig can get to see him.

MR. NEARY: Yes, Craig can get to see him.

MR. ROBERTS: We are renting Craig's helicopter now.

MR. NEARY: Yes, I saw the ad in the paper.

MR. ROBERTS: It is something, is it not?

MR. NEARY: I saw the ad in the paper.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: It is unfortunate. The only way that people will be able to get to see the Premier of this Province in the future is to get one of these little Jet Ranger helicopters and take off after him.

MR. RIDEOUT: A pogo stick.

MR. FLIGHT: Cover the head waters of all the best rivers in the Province.

MR. NEARY: Mr. Chairman, despite all of the money that we are pouring into this Executive Council \$3,608,000 -

MR. ROBERTS: \$3,600,000 could be saved tomorrow.

MR. NEARY: Yes, that is right, Sir. You could wipe out the \$3 million if you wanted to, if you wanted to save the taxpayers money, Intergovernmental Affairs Secretariat. What kind of foolish nonsense is that? What do they do? Intergovernmental Affairs Secretariat.

MR. DOODY: They have Intergovernmental Affairs.

MR. NEARY: What kind of affairs do they have, Mr. Chairman?

MR. ROBERTS: They should leave their affairs at home.

MR. NEARY: That is the question.

AN HON. MEMBER: Mysterious.

MR. NEARY: Secretariat is responsible -

MR. ROBERTS: I had always heard they did to Newfoundland what they are doing elsewhere.

MR. NEARY: Well, Mr. Chairman, I do not know, perhaps they are in Newfoundland what they do elsewhere. Perhaps they are.

MR. ROBERTS: We heard some awful stories, but not that bad.

MR. NEARY: It says here Intergovernment Affairs Secretariat is responsible in conjunction with the lying departments for all intergovernmental matters including Federal/Provincial agreements and Inter-Provincial agreements.

MR. ROBERTS: Revealing is it not?

MR. NEARY: Now that is really something, and that is costing, that subhead, is going to cost us a half million dollars. Wipe it out,

Mr. Neary:

I say, get rid of it. Close it down. Shut it down. It was only set up to satisfy the ego of John Crosbie anyway. That was the only reason it was put there. The only reason that this department was created in the first place, they set it up first for the member for Kilbride (Mr. Wells) -

MR. NOLAN: He said it was not needed.

MR. NEARY: He said it was not needed, he would not take it.

AN HON. MEMBER: No, he was not the first.

MR. NEARY: He was the first.

MR. ROBERTS: No. John Colbourne was the first.

MR. NEARY: John Colbourne was the first, was he?

MR. ROBERTS: Of course this is what they were trying to Trizec.

MR. NEARY: Oh, yes.

Mr. Chairman, I would suggest to the Minister of Finance, the government, that they shut her down, it will not be missed, I do not mean put the people out on the street, retire those that can be retired or who are pensionable, and find jobs, productive jobs for the other people in this department. It is unnecessary, it is redundant, it should not exist. It is a monkey on the taxpayers back.

MR. ROBERTS: Who is the special assistant to the minister?

MR. NEARY: The special assistant to the minister!

MR. NEARY: We do not have a full-time minister now, do we?

MR. ROBERTS: No, we do not. But we have an \$18,000 Special Assistant; a \$39,000 Executive Director; a \$33,000 Director of Industrial and Resource Programmes.

MR. NEARY: What else have we got there? What other high class -

MR. ROBERTS: A \$17,000 Intergovernmental Affairs Analyst.

MR. NEARY: There you go, a high powered title.

MR. ROBERTS: A \$26,000 Director of Intergovernmental Manpower and Social Programmes.

MR. NEARY: That is great stuff.

MR. ROBERTS: It has to be the most expensive party in history.

MR. NEARY: I would say that it is about time government came to its senses and wiped it out and tried to save the taxpayers of this Province a few dollars.

MR. FLIGHT: \$200,000 for travel.

MR. NEARY: That is right.

And what about Planning and Priorities Secretariat, another \$693,000? What have they done to justify their existence in the last five years?

MR. ROBERTS: They have got their own salaries.

MR. NEARY: They have got their own salaries. That is the number one priority.

Mr. Chairman, it is the most blatant examples of extravagance and waste that we have seen in this Province, Sir, since Confederation.

MR. DOODY: I got to go home, Mr. Chairman, I am reeling under the body blows.

MR. FLIGHT: \$200,000 for travel.

MR. NEARY: And it is about time, Sir, that we -

MR. ROBERTS: It is not a matter that should be taken lightly.

MR. NEARY: Mr. Chairman, it is time that we put it to an end, Sir, and I hope that before we pass these estimates that all members

Mr. Neary.

on either side of the House will encourage the government to wipe out this kind of extravagance and waste. And it seems to be growing every year that passes. The expenditures are getting larger and larger. And the poor people of this Province are getting poorer and poorer, and this crowd of bureaucrats and mandarins are getting richer and it is time, Sir, that we put it to a stop.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: Mr. Chairman, could we call it six o'clock?

It is a minute or two of six o'clock. We will call it six o'clock and go and have a happy hour and come back at eight o'clock to resume the joyful deliberations.

MR. CHAIRMAN: It deemed being six o'clock the Committee will rise until eight o'clock.

PRELIMINARY

UNEDITED

TRANSCRIPT

HOUSE OF ASSEMBLY

FOR THE PERIOD:

8:00 p.m. - 11:00 p.m.

MONDAY, MAY 2, 1977

Committee resumed at 8:00 P.M.

Mr. Chairman in the Chair.

MR. CHAIRMAN: Order, please!

MR. NEAPY: Mr. Chairman, when the House rose for six o'clock we were doing Executive Council, Sir. The Lieutenant Governor's -

MR. ROBERTS: A point of order, Sir.

MR. CHAIRMAN: A point of order has been raised.

MR. ROBERTS: It is not one that is raised except from a desire to clarify the situation. I would like to understand which rules we are operating under, whether we are operating under the new rules that were adopted today by consent until six of the clock, or whether we are now under the old rules which have the effect of no time limit on a debate on a subhead and have the forty-five minute limitation for speeches instead of the twenty minute limitation now. I, for one, and I am sure that I speak for the total Opposition - I do not speak for the member for LaPoile, he can speak for himself - but I for one, and my colleagues, you know, we are prepared to consent to go on, but let us be fair what the rules are; Do we have twenty minute limitations on speeches and no limit on the debate on each head, or are we under the new scheme of things adopted early on today?

MR. PECKFORD: Mr. Chairman, that was the intent of my rising a few minutes ago to clarify where we are. As I understand it, this afternoon the hon. member for LaPoile graciously consented to allowing the consent of provision to prevail our proceedings until six of the clock this evening. Now, of course, like the Leader of the Opposition, I would like to know whether the hon. member for LaPoile is willing to extend that consent into this evening so that we can operate under the new rules as moved earlier today Yours Truly.

MR. CHAIRMAN: Hon. member for LaPoile.

MR. NEAPY: Mr. Chairman, I am prepared to extend the time to eleven of the clock this evening and hope then that the government will be able to get their members in the House so we can get the required thirty-four members, two-thirds of the members of the House, to pass

MR. NEARY: the rules for at least the remainder of this session. But there is no way, Sir, we are going to allow a precedent to be entered into the records of this House unless it is done properly. As the Speaker indicated today, the only way it can be done is by two-third vote of members of the House. But if we want to carry on under the new rules until eleven of the clock tonight it is perfectly okay with me, Sir.

MR. CHAIRMAN: Order please! Is it the understanding that the Committee has leave to operate under the new rules? Unanimous consent was given

MR. CHAIRMAN: Hon. member for LaPoile.

MR. NEARY: Mr. Chairman, we were talking when the House rose about the extravagance and waste in the Premier's office and the way that the cost of running the Premier's office has escalated compared to what it used to be five years ago. It is unbelievable, Sir, absolutely astounding the increase in the cost of running the Premier's office and yet we are not getting the benefit of it, we are not getting the service. It is virtually impossible for an ordinary person in this Province unless he goes down, stands on the door, on the Main door of Confederation Building and waits for the Premier to drive in the gas guzzling Cadillac, and then intercept him before he gets to his private elevator down below on the main floor, sprag him before he gets in that little vestibule down there where the private elevator is, or other than that Sir, go down to Bally Haly, that is the only way you will get to see the Premier of this Province. And yet, Sir, that is costing the taxpayers, costing the taxpayers half a million dollars, half a million dollars. That does not include, Sir, the Executive Council and Cabinet secretariat, another \$314,000. It is costing, Mr. Chairman, to insulate the Premier of this Province from the ordinary people, so he will not be contaminated by the ordinary people of this Province, it is costing the taxpayers over \$3.5 million, over \$3.5 million. That includes the Premier's office, Executive Council office, Treasury Board Secretariat, Planning and Priority Secretariat, and Intergovernmental Affairs Secretariat.

MR. NEARY: The half of it, Sir, is a foolish waste of the taxpayers money. It is a blatant example of extravagance and waste, Mr. Chairman, and some of this waste should be stopped, some of these empires, some of these bureaucracies should be abolished and save the taxpayers about, I would say, close on \$2 million. There is no need, Sir, of an Intergovernmental Affairs secretariat no need of it. There is a group of people in there with some fancy titles who do absolutely nothing to justify their existence, and the big salaries, the big fat salaries that they are getting out of the hard-pressed taxpayers in this province.

MR. NEARY: Mr. Chairman, we agreed this afternoon I believe to spend half an hour or so on this hoping that the Premier would be back in his seat tonight so that we could get the Premier to respond to the criticism that is being leveled at the Executive Council vote. I do not know if my hon. friend, the Minister of Finance, is going to speak for the Premier or not, or the acting Government House leader.

MR. PECKFORD: We can put it over if you want to.

MR. NEARY: We can put it over! Well we do not want anything put over. There has been enough put over now on the taxpayers of this Province.

MR. PECKFORD: I am just trying to help you, I am sorry if I -

MR. NEARY: We want the Premier. We want the Premier, the chief executive officer of this administration.

MR. PECKFORD: If you would care to we will postpone it.

MR. NEARY: Well, okay let us postpone it until tomorrow.

MR. ROBERTS: That is what the hon. gentleman said earlier.

MR. NEARY: The hon. gentleman said we would spend twenty minutes or a half hour, and then we would postpone the debate on the Executive Council hoping that the Premier would be back in his seat so we can get a reaction from the Premier. So having said that, Mr. Chairman, I am prepared to finish up now unless one of the ministers wishes to respond. But I am hoping, Sir, that we will have the Premier in the hot seat tomorrow so we can get the Premier to answer some of the questions that I have raised.

MR. ROBERTS: Mr. Chairman, when the committee rose before supper I had begun a few remarks, and since my friend from LaPoile has had two bites at the apple perhaps I may be permitted one.

MR. NEARY: I resumed the debate because I had adjourned it, Mr. Chairman.

MR. ROBERTS: No, I adjourned, Mr. Chairman. The hon. gentleman had concluded, as I understood his remarks, at least he had resumed his seat. I do not really want to argue with him because in committee, you know, as I understand it you can speak more than once

MR. ROBERTS: and we go on from there. Mr. Chairman, the burden of my complaint or my comment on this head is perhaps a little different than the hon. gentleman from LaPoile. First of all, let it be clear that we have no objection to the Lieutenant-Governor's establishment. I think if we are going to have a Lieutenant-Governor in the Province we ought to maintain the establishment in proper style. Some provinces do not have a Government House. I am not sure how many do or how many do not. We have always had one and it is a tradition that I would like to see maintained. If we are going to maintain it I think we have to do it properly. The cost, \$214,000 for staff and whatever it is for the other expenses in connection with running Government House, does not seem to be excessive. I am all for saving money but I think there are a lot of other places where we can save money before we go to Government House. It is one of these traditions we carry on. It is really the last link I suppose with the royal aspect of our government. I do not suppose it is terribly important. We all know that in the constitutional sense, if I may use that word, the Lieutenant-Governor has no real discretion left except to - I guess in a very special case, which the present governor has not had occasion to exercise to my knowledge but his predecessor did, and that is to grant or refuse to grant a dissolution of the House of Assembly. And Mr. Harnum, when he was governor, had occasion twice to refuse a request for a dissolution and on the third try, thanks to Mr. William Saunders of infamy, the request was honoured because circumstances had changed. But I do not particularly think there is very much to be gained from reducing the amount which we pay to Government House—or to run Government House. And interesting enough we do not pay the governor's salary. That is paid by Ottawa under the British North America Act.

And the only comment I would make on the particular subhead of 301, perhaps the minister could tell us why

MR. ROBERTS: it was so much higher than the estimate last year. The estimate was \$336,000 originally. The revised estimate, which I guess is close to the accurate cost because by the time the revised estimates were prepared for printing and the document we now have I guess the bills had pretty well come in. I notice it is up by \$70,000. I would like to know just what that was for.

MR. NEARY: One part of it was to provide a limousine, I guess.

MR. ROBERTS: No, as far as I know they did not. I do not think the Government House had a new car last year. I do not really know. I do not think I have ever been in His Honour's car. I thought the last one was that monstrosity, the great long one which was bought when Mr. Harnum was the Governor. As far as I know they have not bought one, but I do not know. I mean I do not really know. I must confess I do not really care because I suspect the cost is not all that significant. And if we are going to have the royal presence then let us do it in regal style if not ultraregal style. And I will not talk about the Premier's office. I think we should wait until the Premier is here to speak for his own estimates.

What concerns me though is

MR. ROBERTS: the sum of money which we are spending on the various operating arms of the Treasury Board, and by that I speak of the Treasury Board Secretariat which is Subhead 304, and then Subhead 305, which is Planning and Priorities Secretariat, and 306, which is Intergovernmental Affairs Secretariat.

The Executive Council, the other Subhead, 303, I think is in a different category altogether. That, as I understand it, is essentially the operation headed by Mr. Channing who has been Clerk of the Council now for - what? - twenty years, I guess, Clerk of the Cabinet, Secretary to the Cabinet.

MR. DOODY: We should be thankful.

MR. ROBERTS: I think Mr. Channing is an admirable public servant and one of whom the administration and their predecessors, both, had every reason to be proud and to whom they had every reason to be grateful.

I think that is a different quintal of fish altogether, Mr. Chairman, because in my understanding the Executive Council Secretariat, their job is to record the decision of Cabinet and to send them to the various departments and to co-ordinate the paperwork connected with the operation of the Cabinet. That is obviously essential. In fact, the cost is quite modest. The total cost of operating that office is \$314,000 and \$182,000 goes for salaries. I do not think that is excessive at all.

What concerns me though are the very large amounts which are being spent for the other three operating arms; the Treasury Board Secretariat, the Planning and Priorities Secretariat and the Intergovernmental Affairs Secretariat. These groups are not only very costly, but they are growing, Sir, they are growing very rapidly.

MR. ROBERTS: The Treasury Board Secretariat was budgeted last year to cost about \$900,000, it actually cost over \$1 million, and now it is going to cost \$1.2 million. Hardly restraint to have a growth in one year of \$300,000 which is about 33 per cent of the cost of running that Secretariat.

The Planning and Priorities Secretariat have done a little better. They have gone up 16 per cent in a twelve month period, from \$603,000 estimated to \$693,000 this year.

The Intergovernmental Affairs Secretariat have gone up by a total of about 20 per cent. They estimate they will need \$525,000 for their operations this year.

Well, Mr. Chairman, the amounts of money involved are not all that significant. It is a lot of dollars, of course, and dollars are important. We are talking of \$2.4 million out of a total budget of \$1200 million, and by my arithmetic, if it has not fallen down, that is about one-fifth of one per cent of the total expenditure. That is not too much money to spend if we were getting our money's worth. But my strong feeling, and I have had five years to sit and observe and watch and try to make a judgement on it, my strong feeling is that the Government of this Province are not being well served by these immensely swollen secretariats.

MR. FLIGHT: Hear, hear!

MR. ROBERTS: Now I do not know why that is. I do not know all of the officials there. Some of them I have worked with, some of them I know. I think the ones I know are certainly able. They may or may not be in the right jobs. Some of them have been given too much authority, too much power. Some have become arrogant beyond belief, feeling that they are above the

MR. ROBERTS: elected ministers, the elected members, and I think that is a very wrong feeling and ought to be changed. It must be changed, in fact. But the fact remains that whatever the reason the men and women who work in that category, those three secretariats, are not producing the goods. Now how do I know that? I do not see their papers, I have no access to their documents. Indeed I am told by some of those who have access to the documents I should count myself among the blessed, because apparently the amount of paper being churned out is absolutely astonishing.

But, Sir, I can only judge by the results. I do not think the results justify the cost. We have in the secretariat - now there is no point going through the salaries and certainly there is no point in referring to individuals. But I would be quite prepared to assert, and I think without any fear of contradiction, that person for person, position for position, the employees in those secretariats are paid far more than any other employees of the government with the possible exception of something like doctors who - you know, or lawyers - by definition are extraordinarily paid. Heavens knows why, but I guess it is because we have a limited market and the law of supply and demand means that both doctors and lawyers in this Province are much better paid than they are, for example, in England. I am told a doctor in England is not

MR. ROBERTS:

automatically wealthy. In Newfoundland and in Canada, you know, your license to practice medicine means that your best friends are your tax advisor and your bank manager, you know, because that is the kind of problems you are going to have.

MR. DOODY: Unless you get into politics.

MR. ROBERTS: Well, if the hon. gentleman says that doctors and lawyers get into politics - far more get in than get out. But sooner or later most of those who get in get out with very mixed feelings. But, Mr. Chairman, the point is that the government have assembled these three secretariats. The Treasury Board Secretariat existed when the government came into office. I have not gone back and checked the figures, but it was infinitesimally smaller. The nucleus was there and indeed Mr. Young, the head of the Treasury Board Secretariat, the secretary of the Treasury Board by title, held that position when we were the administration. But the secretariats have become swollen and they are not producing the goods. The quality of analysis of public service proposals is just not there. We can judge. We know what the ministers are saying. We know what they are doing. I think that the money which is being spent by the government on these secretariats is being wasted. I do not particularly mind paying high prices for advice if we get good advice. But I would submit that the government of this Province the last four or five years has been flying just as blind in a policy sense as any of their predecessors. One of the most telling arguments ever made against the Smallwood administration was that we did not have the great backup in expert advisors. I suppose when that administration began its work in 1949 things were very much - it was a whole financial structure of the Province was handled, and I mean to say handled at that time very capably indeed, by Mr. Walter Marshall, who was comptroller

MR. ROBERTS:

and deputy minister, and Mr. James Thompson of - what was the firm? Peat, Marwick who was the government's financial advisor. Now today there are probably a hundred people doing their work and they are not doing it any better. The results are no better than obtained twenty-five years ago.

So that is my complaint. We have a very swollen bureaucracy, a bureaucracy in those secretariats of whom perhaps Baldwin's aphorism is not too far out, you know, that power without responsibility used to be the sole prerogative of the harlot. And that may apply to these particular groups. I think they are swollen. I think they are arrogant. I do not have much to do with the public service on a day to day basis except as a member for a district intervening and trying to work things out in behalf of my constituents. But I do know, and I think the minister must be aware of this, that the resentment among the public service, the so-called line departments against this central core, is immense and I gather often justified. There may be a certain amount of jealousy, I do not know, maybe a certain amount of personal jealousy. That does not particularly bother me. I do not think we should pay any attention to that if it is there. What concerns me is we are not getting, as far as I can see, our money's worth. We are not getting good analysis of policy proposals and we are certainly not getting good policy proposals. I can only judge - I do not know what the secretariats produce - I can only judge by what is produced here in the House and what is produced publicly. And I will say that the quality of the staff work being done for the central core of the government, the quality of the staff work that ought to be done by the Planning and Priorities people, by the Treasury Board people and by the Intergovernmental Affairs people is not good enough. The budgeting is no better. You can go through these

MR. ROBERTS:

estimates, Mr. Chairman, with Treasury Board as the management committee, the secretariat carrying out their wishes, and you can see place after place where the estimates have been hideously inaccurate. You can see the Planning and Priorities Secretariat responsible for analysing - I do not know this fancy wording here - but responsible for analysing for policy proposals and comparing alternatives and preparing alternatives, and the quality of the advice the government are getting is not significantly better than their predecessor were getting five years ago from support staffs that were infinitely smaller but, I would suggest, just as helpful if not more so. And as for the Intergovernmental Affairs Secretariat, I think as my friend from LaPoile (Mr. Neary) says, one of the great boondoggles of all time. It does not do a ruddy thing that is not done more effectively by somebody else. There may be a need for one staff member down there, one that sort of acts as a central post office to co-ordinate things. But this -

MR. NEARY: They have got some people up in Ottawa. I have never been to find out what they do.

MR. ROBERTS: Well they may well have - but I mean the immensely swollen bureaucracies. There are - if I read these correctly - twenty-three people in that Intergovernmental Affairs secretariat counting the minister, so twenty-two without the minister. I mean, I do not know what they do. The line departments are the departments that do the operations. There may be a need for a co-ordinating function,

MR. ROBERTS: but it is significant that the gentleman from Kilbride was asked at one stage by the Premier to make a study of the need for an Intergovernmental Affairs ministry with a view, I think, in the Premier's mind to asking the gentleman from Kilbride to assume that portfolio if he should recommend that one be created, and the gentleman from Kilbride recommended that one not be created. And now we have it - I think my friend from LaPoile perhaps put his finger on - it was to assuage somebody's ego, to massage somebody's ego a year or two ago. But as far as I am concerned, as far as I can find out, and I approach it with a relatively open mind, the expenditure of \$500,000 on the Intergovernmental Affairs Secretariat is a complete boondoggle. It ranks right up there with the Norma and Gladys among the complete wastes of money - the Norma and Gladys and the helicopters and all the other things to which we could point.

I am all for co-ordination. I think it is terribly important that approaches to Ottawa in particular be co-ordinated the one with the other and that no one department be able to go busting off to Ottawa with an idea that would affect as most ideas do more than one department. I think that is terribly important. I do not know what role the Secretariat will play now. When Mr. Crosbie was there it had become a super-government. The Minister of Transportation, for example, was told on occasion not to go to Ottawa because Mr. Crosbie, it was not convenient for him at that stage to have negotiations. He was just ordered to stay home and not to raise proposals until Mr. Crosbie was able to deal with them. Well that might have been justified actually in the case of the Minister of Transportation.

MR. NEARY: That is a poor example.

MR. ROBERTS: Yes, that is a poor example. But it had become a super-

MR. ROBERTS: government with no real justification and no real need. Well, Sir, I could go on and I could expand and expound upon what I have said, but I think the point is a very straightforward one and I mean it very much.

I would not regret for one minute spending \$2 million or \$3 million out of an expenditure budget of \$1200 millions and more - would not resent or regret spending a cent of that on the central staff functions. In fact, it might well be the most useful money that the government could spend because the quality of government in the long run will depend upon the quality of what the information or the analysis at the center, and the center must of necessity be a small core of the cabinet and the people who work with the cabinet advising it. And in that sense these secretariats are absolutely vital. But we are not getting our money's worth judging by what comes out of the pipeline. I do not know what goes into it. I do not see the papers. I have no access to them. I do not have any communication with any of the people even on a social basis. I do not need it, but my friend from Conception Bay South has put his finger on it. It is the old computer rule. It is called gigo and gigo is computer jargon for garbage in - garbage out. Well I know that we are getting garbage out in a policy sense. There have not been, Mr. Chairman, there have not been a half dozen meaningful policy papers or positions or ideas presented by this administration in five years in office.

MR. NEARY: Hear, hear!

MR. ROBERTS: And the ones that have been presented - take the forestry thing, which has some merit. You can trace that back to the Forestry Task Report, which did not come from these people, it may have come through them. Hydro, which has done some thinking - some of it is whacky - but Hydro has a support staff down there even larger than this and does all their own policy analysis.

MR. ROBERTS: But I would say to the ministers opposite that based on what they say, based on information that is made public, based on what we can observe, and that is all we can base our comments upon, that the gigo rule put forward by my friend and colleague from Conception Bay South, is a very apt one to describe the work of these three secretariats - garbage in-garbage out. Too much of what we are getting is just sheer, unadulterated garbage. I am not saying the ministers are saying garbage, but often ministers must rely upon these particular officials. I also know it is having an effect upon all the other line departments. They have been gutted, to use the term we would use to describe preparing fish. They often feel, the deputies and senior staff people in the departments, that their views are of no account, that it is this mysterious operating entity called Planning and Priorities or Treasury Board or Intergovernmental Affairs that really has the final say.

And I say to the minister - he may not believe me but I say that I mean it, and I believe it is correct - that morale in the public service at the top levels has never been lower and the reason for it is the way in which these secretariats act, particularly the arrogance which they show and I know whereof I speak. I can assure the minister and I am not saying any individual. I do not even know most of the men there and it is of no concern. What concerns me is the effect it is having on the public service of this Province. It is not a good effect. We are not getting our money's worth and that is a tragedy, Sir, first of all because we have little money to spend, and what we must watch carefully what we have but secondly, Mr. Chairman, it is a tragedy because this

MR. ROBERTS: of all areas of the government we ought to be getting the best possible return and we are not. I am not attacking any public servants. It is the ministers who are responsible, the ministers have created these swollen bureaucracies. It is up to the ministry to make them work. I think there are some very able people - based on what I know and what I am told - there are some extremely able men and women employed in these secretariats. Obviously, Sir, they are not being given the right direction by the ministry; obviously they are not being given the right guidance because I do not think we are getting our money's worth.

And so that is the burden of what I have to say about these three bodies, Sir. I think it is one of the - not a great public issue, no, but it is one of the great issues that ought to confront the men who are running this Province today. Because, Sir, a government is only as good as the advice it gets and one of the key bodies in giving advice to a government, analysis, guidance, and help and all these things are the secretariats. A minister, I have often been told, is only as good as his deputy minister. A good deputy minister can be of immense value to a minister and anyone of us who has ever been a minister knows the truth of that. We have seen it here, we have seen it in Ottawa. Well, Sir, a good government really is only as good as the support staff it gets, the central support staff. We do not have a good government and I think one of the reasons why - one of the reasons why is I do not think they are getting the advice and the policy analysis they need. So I would - I am not going to move any reductions salaries or any of that foolishness. I am not going to do that - but I would say to the minister that I counsel him most earnestly to pay heed to what I am saying because I do not say it in a partisan sense, no marks in it. I do not think that anybody in Quebec in my district really cares much of a hoot about this kind of concern. I think there are more fundamental and more pressing

MR. ROBERTS: concerns if you are living in most parts of this Province. If they have any concern it is probably the sort of thing voiced by the gentleman from LaPoile, you know, the salaries are high and the travelling expenses are high and these things. But what I say, I believe, Sir, to be very much germane to the administration of the government of this Province. And I would counsel the minister to take what I say and ponder it in his heart, because what I say, Sir, I believe to be of great importance and I would suggest that a thoroughgoing look at the three secretariats and a thoroughgoing reevaluation of what they do and what they ought to do and are they doing it properly might be of great value to the government, Sir, and a great value to the Province. Thank you.

MR. CHAIRMAN: Hon. Minister of Finance.

MR. DOODY: Mr. Chairman, the Executive Council's estimates, which are really the responsibility of a variety of ministers or at least a number of ministers. The Government House Leader, the Minister of Justice is responsible for the Intergovernmental Affairs Secretariat. The Minister of Finance, who is President of the Treasury Board, is responsible for Treasury Board and the Planning and Priorities Committee of course is responsible directly to the Premier. And I shall attempt to cover some of the points raised by hon. members opposite in going through these estimates and answering some of the questions that were raised, and more precisely I guess rather than questions they were more in the nature of a philosophical concept of the necessity or lack thereof of these various secretariats. Are they indeed necessary? Do they have a function? And if they have a function, do they perform it, and in its performance is it worthwhile? Is the money that the taxpayer of the Province is asked to spend on supporting these various secretariats - the support staff of government, the technical staff of government if you will - Is it worthwhile, and should it be spent, and is it being wisely spent?

MR. DOODY: Mr. Chairman, the first item of course is the Lieutenant-Governor's establishment. It was raised by the member for LaPoile who did it in a very careful manner. He felt that it should be pointed out to the hon. the Lieutenant-Governor that he should, in keeping with the austerity measures, do everything that he possibly could to cut back on expenses and to

MR. DOODY:

keep his expenses down and to try to live within a reasonable budget. All I can do is assure the hon. member that the same sort of stringent examination has been gone through with His Honour as has been gone through with the various departments of government, albeit with a great deal more respect, Sir, and some trepidation because one treads very lightly when one treads on the prerogatives of the Crown.

MR. NOLAN: Are you not locked into many things there like you are in, say, consolidated debts even?

MR. DOODY: Very much so, yes. And it is more of a tradition than of a statutory nature.

MR. NOLAN: And it is not just for the benefit of the Lieutenant-Governor.

MR. DOODY: As long as one is dedicated to the presence of the monarchy in the Province of Newfoundland and I think that there -

MR. ROBERTS: Well if we are going to have Government House we got to be prepared to pay the price.

MR. DOODY: - I think there is no province in Canada that is more dedicated to the presence of the monarchy than the Province of Newfoundland. I think that we have to do it reasonably well.

MR. NOLAN: What is next, Rehabilitation?

AN HON. MEMBER: Health.

MR. NOLAN: Health next, boys.

MR. FLIGHT: You are a Diefenbaker man now.

MR. DOODY: I do not, Your Honour, hold with the theory of some of the provinces of Canada who have their Lieutenants-Governor housed in exile and literally one of them lives in a hotel somewhere or other. Another lives in a boarding house, in effect. The trappings are there but it is an insult to me, to the Crown -

MR. ROBERTS: The Governor of Ontario has a room or two or three in the Parliament Buildings in Queen's Park.

MR. DOODY: That is right. That is right. And it is only fairly recently that New Brunswick has found a permanent residence for the Lieutenant-Governor of that Province. The Lieutenant-Governor in Quebec, of course, is in a somewhat more awkward position. Even in British Columbia it has only been fairly recently that adequate accommodation and housing -

MR. ROBERTS: They have a Government House there?

MR. DOODY: That is right. But it still does not - the cost does not quite come up to ours. I think we lead in Canada.

MR. ROBERTS: We spend more on Government housing.

MR. DOODY: Yes. Because I think that in a province such as British Columbia the Lieutenant-Governor contributes, it is honorary sort of thing, and he feels that he should contribute toward the upkeep himself. Well I am sure that the Lieutenant-Governor in Newfoundland, his predecessor and his successor, feel the same way. I do not. I think that if we are going to have the establishment, then we should have it done properly, the man should be treated with honour and respect and it should be kept in the condition and shape in which it deserves to be kept.

SOME HON. MEMBERS: Hear, hear! Hear, hear! Right!

MR. DOODY: As long as we are a part of the Crown and responsible to the Crown, then I will be one of its strongest defenders. And if we are going to have a Lieutenant-Governor's establishment, I want it to be a reasonably first class establishment and I do not want it to go any other way.

MR. ROBERTS: I think we should either go whole hog or just wipe it out, one or the other.

MR. DOODY: One or the other, that is right, exactly. We can ask him to cut back on gardener three and gardener two and carpenter one and what have you and we have gone through all that exercise. Staff has been cut and salaries have been cut and so on. But there is a limit

MR. DOODY:

beyond which you cannot cut and still hope to have some reasonable semblance of respectability and style. You cannot have a shabby second-hand, second class establishment. If you are going to have a representative of the monarchy here in this Province, I, at this point in time, and I think I feel this in common with most of the people in the Province of Newfoundland, that we should have a Lieutenant-Governor's establishment. And I have no hesitation in defending that vote. Like the member for LaPoile (Mr. Neary), obviously, we feel that, whatever possible, housekeeping adjustments and savings can be made should be made. And in my opinion and the opinion of, once again, Treasury Board, who do the analysis of these things, feel that all that is possible within the guidelines that we have set forth has been done.

On the functions of Treasury Board itself, Mr. Chairman, which is the area with which I am most responsible-or most familiar and directly responsible, first of all, there are a number of items that were raised during the discussion earlier this afternoon and touched on this evening. Let us not forget that Treasury Board does not consist of a bunch of mandarins and civil servants and overpaid, high-priced, dictatorial people who have been brought in

Mr. Doody:

to pass on dictates and all sorts of strange, weird and wonderful decisions to ministers and so on. Treasury Board is a subcommittee of Cabinet; there are seven members of Cabinet on Treasury Board.

This particular a -

MR. ROBERTS: It a committee of Cabinet.

MR. DOODY: It is a committee of Cabinet, all right then.

MR. ROBERTS: A statutory committee.

MR. DOODY: It is a committee of Cabinet. Once again I bow to the constitutional expert in the -

MR. NOLAN: Do all of your colleagues despise you when you go back with your various cuts and everything?

MR. DOODY: We seven lepers sit and look at various submissions that are made from the various departments of government, and the Secretariat has an opportunity to analyze and to advise and to give this Committee of Cabinet the benefit of their expertise and the benefit of their advice. This committee of Cabinet called Treasury Board then makes the decisions, and it is subject to Cabinet, and Cabinet decides whether or not this particular decision is a real, reasonable or just decision, or whether indeed it is a most unreasonable or a most -

MR. NEARY: Come off it now!

MR. DOODY: unjustable decision.

MR. NOLAN: Come on now! Who are you kidding?

MR. DOODY: Pardon?

MR. NOLAN: Who are you kidding?

MR. NEARY: Maybe you are saying it with tongue-in-cheek.

MR. DOODY: Well if I am not saying it with tongue-in-cheek it means that Cabinet -

MR. NOLAN: Who are you kidding? You know when you got a Grade I clerk sneering at you, you are in trouble. That is what happens to every one ever on Treasury Board.

MR. DOODY: I am looking at a Grade I clerk now and I do not feel a little bit nervous.

MR. NOLAN: Seriously!

MR. DOODY: I am serious.

MR. ROBERTS: The minister hopes to rise to that emmience?

MR. DOODY: That is right. That is right. It has happened before. I touched the hem of -

MR. NOLAN: Of the garment.

MR. DOODY: - the garment and there I was, elevated.

MR. ROBERTS: And look where it has got the minister.

MR. NOLAN: Does the minister really want to repeat that experience?

MR. DOODY: I think I would take that under advisement, Mr. Chairman.

MR. ROBERTS: I would refer that to the Secretariat for analysis.

MR. NEARY: Even the Jigger Malone concept?

MR. DOODY: That is right. But I am not going to use any names.

The fact is that Treasury Board is a committee of Cabinet, and Cabinet is not a committee of Treasury Board despite all the comments and little smiles and smirks and all the knowing little quirks across the way, Those of us who sit on Treasury Board -

MR. NOLAN: Laboured long.

MR. DOODY: - have been used, and have been abused, and we will continue to go through that. We take the flack. We take all of the noise for the decisions that are not favourable. If something is sent forth from a department then it goes back, as somebody has suggested earlier, to a counsel or to a group -

MR. ROBERTS: Well!

MR. DOODY: Well we did all we could, we sent it to Treasury Board and they turned it down. Treasury Board simply acts within the budgetary limitations of that particular department, under the guidelines that are set down. And we make recommendations to Cabinet along these lines. We certainly do not take -

MR. NOLAN: Beautiful!

MR. ROBERTS: The minister's own colleagues can barely keep a straight face around him.

MR. NOLAN: Beautiful! Beautiful!

MR. ROBERTS: I do not know if the minister's colleague is on Treasury Board or not.

MR. NOLAN: You should make a movie of that.

MR. DOODY: Is everybody -

MR. NEARY: He should get the Actra award of the year for that.

AN HON. MEMBER: There are three or four of us here now.

MR. ROBERTS: He is reading exactly

MR. NOLAN: Are you on Treasury Board too?

AN HON. MEMBER: Oh, yes.

MR. NOLAN: Oh the hatchet squad.

MR. ROBERTS: All the nice guys are there.

MR. DOODY: As a matter of fact, I think I am the only one who has publicly identified himself.

MR. NOLAN: I noticed that. I noticed that.

MR. ROBERTS: The rest will not even confess it to the Cabinet.

MR. DOODY: That is right.

Anyway the situation remains as it is, and the Treasury Board Secretariat in the -

MR. DOODY: I sympathize with you.

MR. DOODY: - framework that I have just described them are those people who decide on what type of advice to give on a particular submission from a department or from an agency. So that is only one of the functions of the Treasury Board Secretariat. And if ever a government, or if ever a group of people, or if ever an establishment has gotten its money's worth from an organization, in my opinion, it has been from the investment in the Treasury Board Secretariat.

MR. NOLAN: It is too big though, is it not?

MR. DOODY: We have run - no it is not. It is not big enough, unfortunately.

MR. NOLAN: It is not big enough. Very good!

MR. DOODY: The Treasury Board Secretariat, in my biased view, should include most of the people that are in some of these other -

MR. NOLAN: Parkinson's law by Doody.

MR. DOODY: - outfits. That is right.

MR. ROBERTS: Well the Peter Principle on the level of incompetence.

MR. DOODY: The conciliation - that part of Treasury Board which we are most familiar with is only a section of its work. The organization and management end of it, which is another small section of three or four people who

MR. DOODY: give advice and assistance—

MR. ROBERTS: Go around measuring offices, is it?

MR. DOODY: No, They give advice and assistance to the administration and to the administrative functions of various departments who are in need of such assistance..

MR. NEARY: If it is not big enough, how big would you think is the right size.

MR. DOODY: I think particularly right now the collective bargaining division, which is a kind of overtaxed group of whom we have four active - we have four people in the collective bargaining division, four active bargainers. People who sit at the bargaining table.

MR. NEARY: What part does the Manpower Department play in this bargaining?

MR. DOODY: They do not. Manpower & Industrial Relations do not get involved in collective bargaining at all unless they get a request from either government or from the unit for conciliation, or for help in arriving at a conclusion, or in conciliating, or in getting into a mediator's position. The Manpower & Industrial Relations people have absolutely nothing to do at all with the collective bargaining division. As you notice, we have a director of collective bargaining, we have a staff relations specialist (1), and two staff relations specialists (1). These are four people and we have some fifty, almost fifty now different collective agreements. These people - I do not mean to intimate to the House or mislead the House that these people do this on their own. If they are working with the hospital workers, then they will have people from the Hospital Boards' Association and from the Department of Health. One of these four people will coordinate their efforts and do the bargaining with the advice of that group.

MR. NEARY: Why not take six or seven from that overstuffed Intergovernmental Affairs Secretariat?

MR. DOODY: Then when it comes to the teachers' negotiations, one of these people will work with people from the Newfoundland Federation

MR. DOODY: of School Boards and from the Department of Education and they will coordinate and work along that line. But these four people do the coordination and collective bargaining and keep an even tenor, an even scale throughout these 28,000 or 29,000 public servants or people who are on the public payroll that I mentioned. So, I would suggest that that part of the Treasury Board is certainly not overstaffed or overstuffed and the amount of work, the salary for the collective bargaining division is less than \$100,000. Anybody who thinks that that department or that division has not done an excellent job during the past year, you know, is simply not analyzing the amount of money that is spent in terms of its return to the Province.

The budgeting division of Treasury Board coordinates the spending, the estimates and analyzes the requests for spending for the various government departments consists of director of budgeting, two budgeting officers, one analyst, one clerk typist. There are five people there who haul together the budgeting for the entire government services, once again in coordination with the various government departments

MR. NEARY: All this is duplicated in various government departments, and you have accountants who are doing this already?

MR. DOODY: We have moved now part of the pensions' division from Finance has been moved into Treasury Board. So the - what?

MR. NEARY: Who are you trying to cod? Are you pulling our leg or what?

MR. DOODY: I would not touch your leg if I had rubber gloves on. The director of pensions.

MR. NOLAN: Is that what you used in the pickle barrel, rubber gloves?

MR. DOODY: Never did! Never did! I must say during all my years at Duff's I never used rubber gloves in the pickle barrel.

MR. ROBERTS: And the customers never complained?

MR. DOODY: Never complained once, because I had years of experience before that, ten years before that in the pickle barrel that the

MP. DOODY: gentleman has not even mentioned. I was working for G.J. Shortall & Company for ten years at mackerel and turbot and herring and so on down on 'udge's wharf until midnight with a little five or six candlelight bulb over my head, right up to my neck in pickle on the cold nights until one o'clock in the morning, down on old Murray's premises and on the Southside 'udge's and so on when I was sixteen and seventeen years old. That was when pickle was really cold. Duff's was Heaven to me when I got in there.

MR. ROBERTS: The hon. gentleman was in a pickled state for years and years.

MP. DOODY: That is right!- That is right!

MP. NOLAN: You know what it is to be pickled then, I assume?

MP. DOODY: I have been pickled more than once, and I fully intend if God gives me strength and health and the ability to be pickled once again. I have no apologies to make for having made a living from the time I left school in Grade VI and gone on to wherever it is .

MR. MURPHY: - (inaudible) several times.

MP. DOODY: That is right. I did not quite make Flower Hill, I

MR. DOODY: came from Allan's Square. Anyway, what I am trying to say is that the amount of effort and the amount of ability and the amount of talent that comes out of that Treasury Board Secretariat, which comes to something less than \$1 million in total; classification and pay division, which has twenty-three people which is a constant battle in trying to do the things that were mentioned in earlier discussions here today in trying to find some sort of a way to balance the needs of the Province in terms of talent to operate the various divisions, the various government departments, the needs of having the key people in position against the salaries that we can afford to pay them, the people who keep checking and clearing with the other governments across Canada and with the private sector; that, \$300- and-some thousand for these twenty-three people, the work that they have put in and the money that they have saved, it is impossible to measure it and so we are certainly at the mercy of hon. members opposite. The Treasury Board staff itself, which is only about six people and it is a relatively small part of the government's budget in terms of its importance to government. The arrogance that has been mentioned and the morale in the line departments, quite honestly I have not seen it. I quite honestly -

MR. LUSH: (Inaudible) - to the very end.

MR. DOODY: Perhaps so.

MR. LUSH: That is going to happen.

MR. DOODY: That could very well be. It may very well be that there are a whole lot of people down in various line departments who are upset about the fact that some people in Treasury Board keep saying that this is not the right and correct way of doing it, and I would suggest that this is the more proper way to do it and this is the most responsible way to do it and this is the more intelligent and more efficient way to do it, and there may be some people who resent that. Well, I hope that that is not so. It

MR. DOODY: may very well be so, but if it is so then it is in the interest of the public of the Province of Newfoundland, and that is what the responsibility of Treasury Board is, is to protect the public person.

We have a new division in here this year in Treasury Board which is the insurance division. It has never been in place before. It is a director of government insurance and an administrative officer I. Once again, it is two people.

MR. NOLAN: That take care of all the civil service insurance schemes and so on?

MR. DOODY: No, this is - I will go back to that - This is something that has never been done before and it is in line with a question which the hon. member from LaPoile asked earlier today, How many government buildings are insured, who they goes out? This is not the guy who goes to the yellow pages. This is a gentleman who goes and asks for proposals -

MR. NEARY: Why does he not call -

MR. DOODY: Because how can you - You cannot tender on insurance.

MR. NEARY: You can tender.

MR. NOLAN: Some people do it.

MR. NEARY: The school boards do it, why cannot the government do it?

MR. DOODY: School boards - This gentleman does it for the school boards.

MR. NEARY: Well then, why does the government not do it themselves?

MR. DOODY: Well then I am not saying that he does not.

MR. NEARY: Well I am saying he does not.

MR. DOODY: Well, sure, sure, sure.

MR. NEARY: There are no tenders appear in the newspaper for insurance on government buildings.

MR. DOODY: So there!

MR. NEARY: So there! Take that!

MR. DOODY: Got it.

MR. NEARY: You are violating your own public tendering act.

MR. DOODY: It never happened.

MR. NEARY: Oh, no! You would not do anything like that.

MR. DOODY: Anyway this gentleman and his support staff of one have reorganized the whole insurance structure in the Province of Newfoundland and have saved us hundreds of thousands of dollars during the past year. I hope to be in a position to table the paper in the House showing exactly what has been accomplished in that area. Tradition had been that in 1960-something-or-other an insurance policy would be given to company (a) to insure a fish plant or to insure a building under lease, and they would carry on automatically and send in their bills. Since this gentleman went into place the system has changed considerably and people have been asked to demonstrate why they should keep this policy in effect, and in effect we have been asking for competitive bids and various insurance areas and this is one of the most progressive moves that government has made since I have been in here in this Treasury Board insurance division.

MR. NEARY: When you want a quote do you call all the insurance companies?

MR. DOODY: I told you today, I do not know.

MR. NEARY: Well, you should know.

MR. DOODY: I am going to work on it. The first thing tonight when I get out of here I am going to get on the phone and call all the insurance companies and ask them have they heard from my people.

MR. NEARY: Now do not be smart.

MR. NEARY: Do not be smart.

MR. DOODY: But you are provoking me.

MR. NEARY: I am not provoking the hon. minister. I am only trying to find out the truth of the matter.

MR. PECKFORD: You are out of order.

MR. DOODY: The hon. Chairman just told me that I have expired. I will go back at it again if you want to continue with this -

MR. NEARY: Are we going to postpone this vote now, Sir, and wait till the Premier comes back before we continue?

SOME HON. MEMBERS: Oh, oh!

MR. DOODY: No, I did not look at a notice.

MR. PECKFORD: On a point of order, Mr. Chairman. Just for clarification purposes, as I understand it now we are in agreement at this point in time that the remaining minutes under this heading will be reserved until the hon. the Premier is in his Chair to reply -

MR. NEARY: Yes, that is all right with me.

MR. PECKFORD: - to questions from the Opposition as it relates to the Premier's office. So if we could -

MR. NEARY: How much time have we got left?

MR. PECKFORD: Fifty.

MR. NEARY: Fifty minutes.

MR. ROBERTS: That will be the longest speech Frank has ever made in the House.

MR. NEARY: Well, I mean, I am satisfied to wait till he comes back. Wait till he comes back.

MR. PECKFORD: Okay, Heading (X), Health.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: Heading 101-01. The hon. Minister of Health.

HON. H. COLLINS: Thank you. Mr. Chairman, it is a little bit of a new procedure this year as we are dealing with various departments. I am a little bit at a loss sometimes to know how to start because

MR. COLLINS:

I suppose whatever one does there will be a certain amount of criticism. However, I would like to start off by saying that we are requesting the committee's approval and the House's approval for a considerable amount of money in the Department of Health, certainly more than ever was voted in the Department of Health before. And I am sure that all hon. members who had a look at the estimates must realize that health care costs are certainly escalating and becoming quite a problem, not only in Newfoundland but in all of the other provinces and for the national government, and I think it is fair to say for all countries in the Western World. It is my first - I have completed my first year in Health. And I would say it has been a very interesting year. There have been a lot of things done, a lot of accomplishments. But I am sure that hon. members opposite will be quick to point out that there are a lot of things which remain to be done. I would be the first to agree that there is a fair amount still to be done and a long way to go before we reach the stage where we can say and the people will agree that we have adequately taken care of the Health needs of our people.

Our ultimate goal, Mr. Chairman, naturally is to provide a comprehensive health care system in the Province. And that is going to take us some time, of course, to develop. But I would at this point like to say again that in spite of the fact that last year we were in a period of restraints in terms of hospital construction, we were in a period of restraint in terms of operating costs, and, as I say, I would like to again say that without the co-operation of the Medical Association, all the doctors, without the co-operation of the Hospital Association, all of the hospital administrators, the nurses and the nurses aides and all of the other people involved in the health care system, without the co-operation, maximum co-operation,

MR. COLLINS:

fine co-operation of those people we would never have been able to get by to the extent that we did.

Mr. Chairman, possibly one of the most important things which happened last year was the fact that we saw our Federal Government withdraw from the old cost-shared programmes, the agreements under the

MR. COLLINS:

Hospital Insurance and Diagnostics Services Act, that agreement whereby the Federal Government shared with the Province approximately fifty/fifty of the cost of operating hospitals. Also we saw the Federal Government withdraw from sharing with us in the cost of Medicare. Now under that particular programme, under the Medicare Act the Federal Government contributed approximately seventy-two -

MR. ROBERTS: The figures at once have differences, in our opinion, of what it would cost, and the whole option of the Medicare programme, and I want to know what we are going to get under this E.P.F. business on the other hand?

MR. COLLINS: I will certainly get into that later on. But I -

MR. ROBERTS: Take the rest as read, 'Harold'. You only got twenty minutes.

MR. COLLINS: - have not got the other figures. But I can tell the hon. member that last year the Federal Government shared in Medicare to the extent of seventy-two per cent, which was a considerable amount of cash, of course, which we must now find ourselves.

MR. ROBERTS: I am quite aware of that. But what is the difference -

MR. COLLINS: Mr. Chairman, does the hon. Leader of the Opposition want to make a speech or does he want to listen to what I am going to say.

MR. ROBERTS: Yes. When the minister finishes I will make one. It will be a better one than the minister is making.

MR. COLLINS: That will be left for the people around here to decide. But, Mr. Chairman, I mentioned those two topics because they have had a great bearing on the delivery of the health care system in Newfoundland as we knew it in the past and as we know it today. This year, of course, we find that even though alternate arrangements had been made by the Federal Government to compensate for the financial loss

MR. COLLINS:

to the provinces, the best figures that we can come up with, and our Department of Finance has been working on this, the best figures we can come up with would indicate that the Province will lose possibly in the order of \$8 million or \$10 million or \$12 million. We really want to know because the formula now is so complicated it will be a year - we will have to have a year's experience - before we will really be able to say exactly what the loss was.

Mr. Chairman, possibly one of the most important advances to be made in Health during the past year was the coming on stream of several new hospitals. Just about three or four weeks ago the new Western Memorial Hospital in Corner Brook was officially opened. Not too far back, during last Summer, we opened the new hospital in Carbonear and, of course, we also opened the new hospital in Twillingate, the Notre Dame Bay Memorial Hospital. All three institutions are now in use. In the case of the Western it is not completed yet. But please goodness, with the completion of what is known as the Christopher Fisher Tower, phase six in the construction lingo, when that is done we will have a marvellous institution on the West Coast.

We have also done a fair amount of work in terms of repairs to clinics and improvements in some of our cottage hospitals, fire fighting equipment and that sort of thing. And possibly, Mr. Chairman, one of the major areas where we have made advances is in the dental field where the dental services of the Province have been improved considerably. All in all, Mr. Chairman, I think it was a very good year in Health. And the Leader of the Opposition wants to say something and a lot of other people do too I am sure. I will keep my further remarks for a later date.

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

MR. ROBERTS: Mr. Chairman, I thank the minister for his opening statement. But I think it is both fair and right of me to say that the minister did not tell us very much at all in the opening statement.

MR. ROBERTS:

I do not know whether he was speaking from notes that had been prepared for him or whether he was speaking from his own knowledge. I rather hope it is the former and not the latter because at least he could change his speech writers. And I would suggest to him that he give most earnest consideration to that.

Now, Sir, the Department of Health, it is a bit of a truism to say, as I believe the second largest spender in the government. I think that the total amount of money which this department is to spend this year -

MR. CHAIRMAN: I was looking up the -

MR. ROBERTS: Health. I am sorry, Mr. Chairman, Your Honour has a most effective voice

MR. ROBERTS: and I am sure at time it serves Your Honour well,
but I do not mean to interrupt -

MR. CHAIRMAN: Sorry!

MR. ROBERTS: -Your Honour at the table. Health this year will spend \$220 million and that may be a little higher when all is said and done but the estimate at this stage is \$220 million and that makes it by my reckoning the second largest expenditure department. Only the gentlemen in education, who are no slouches when it comes to spending money, only the gentlemen in education have done better with the public treasury than have the people in the Department of Health. And of course there is a reason for that. The health programmes affect every part of this Province and I guess, Sir, that there is no Newfoundlander or Labradorian, if you wish, in the course of the year who does not run into some manifestation of the Department of Health. Well, that is well and good.

The minister has not outlined to us any real approach that he and his colleagues have taken. I would like to look at the functions of the Department of Health in two ways. The first is programmes and the second are facilities. And I think that those two categories speak for themselves. What I had hoped the minister would tell us is exactly where in his opinion we have reached in the provision of programmes, and where he thinks we will be going next on a priority basis. And it must be on a priority basis because there simply is not enough money in the world, I venture to say, to meet all of the requests and demands which are put in to him, which come to him and his officials.

On the question of facilities, I very much regret the minister has not as yet, although I hope he will, come to grips with the question of, Where do we go in facilities? I want to talk about the three hospitals that were promised by this government in what can only amount to a deception. I think the time has come to put what

MR. ROBERTS: I believe to be the correct term on them, I think it was a deliberate deception by the minister and his colleagues. I think they made commitments either knowing they could not keep them or not caring if they could keep them or not.

CAPT. WINSOR: Not caring.

MR. ROBERTS: I do not know which it was, I say to my friend from Fogo. Either carelessly, negligently, or deliberately, but these commitments were made. And I will come back to that. I think that now that we have had three separate deferrals, to use the word that is beloved to the Minister of Finance in his Budget Speeches, I think the time has come to call a spade a spade.

And I want to know what the minister's thoughts are on facilities. All across this Province we have demands being raised for new facilities, all of them are justified, some to a greater extent than others. There must be a priority ranking. Well, I want to know what the priority ranking is. I do not want the charade that has been repeated from time to time by the minister and by his predecessor, the gentleman from Kilbride as he now is, of saying in response to any group that asks, "Sir, what priority is given to our hospital," and back comes the answer, "It is a top priority" and that is meaningless. We do not have enough money to do everything. We do not even have enough money to even do half of everything or a quarter of everything.

So I would like to know what the minister proposes. Before I get into that though, Mr. Chairman, let me come back to this question of the change in the financing arrangements, because this is a matter which the ministry have not seen fit to bring before the House. It has not been debated here, it has not been discussed here. And the amount of information that has been given to the people of this Province is minuscule and picayune. As I understand it, under the old arrangement, which has been ended by the government of Canada with or without the consent, willing or otherwise, of the

MR. ROBERTS: Provinces. And the Government of Canada started a programme, the Government of Canada carried it through, and the Government of Canada have now ended it - and we can like it or we can lump it. That is what they have done.

But under those old programmes - the two which are relevant here were the Hospital Insurance Programme and the Medicare Programme. And in the former - as I recall it - what we - each was a shared cost programme and each dealt with the kinds of services which the names employ, hospital insurance dealt with hospital services, and Medicare dealt with doctor's care whether it be in hospital or in a home or in an office setting.

And as I understand it in each case our recoveries from Ottawa were related to our expenditures. In the case of hospital

MR. ROBERTS: insurance they were related so it was quite a complicated formula and I am not even sure I recall it. I suppose it is only history now. They were related more or less directly to our level of expenditures although there was a national equalization component built into it. Medicare was a classic example of an equalization programme because we were paid under our Medicare programme an amount that did not relate very directly to our services. It amounted, it related directly to the expenditure all across Canada. That is how it came about, as the minister said, I think he said 72 per cent of the expenditures on Medicare came from Ottawa last year, the last financial year. That is not something of which we should be proud. It just shows that our expenditures per capita, the insured services under the Medical Care Programme was that much less than the national average, because Ottawa was paying half the cost of the national average, as I recall it, if we were getting 72 per cent it shows our services were 22 per cent below the national average at least on a cost basis what they were on a qualitative basis is another story.

Now, the Government of Canada has ended both those programmes. They replaced them with an extremely complicated formula. The Minister of Finance fortunately did not put it in his Budget Speech, but there is an Appendix to his Budget Speech

MR. DOODY: I did not want to read it -

MR. ROBERTS: Well, I do not blame the minister for not wanting to read it. It is the most incomprehensible - I thought that in twelve or thirteen years of dealing with this kind of document I have read everything or run across everything

MR. DOODY: That is the twelfth draft!

MR. ROBERTS: Well, if it is the twelfth draft I am glad I did not see the first one. I would like to see the thirteenth because we may be on the verge of a breakthrough into the

MR. ROBERTS: comprehensible. I fear that particular appendix to the budget is close to incomprehensible and I have had some information sent in from some friends of mine in Ottawa which, I may add, is equally incomprehensible.

MR. DOODY: This is the difficulty in trying to deal with the bureaucracy as it now exists in Ottawa when they argue with this sort of thing across the table.

MR. ROBERTS: The figures that I have been given by the FPPO, Federal-Provincial Relations Office, do not square with the figures the minister - and I do not know who is right and who is wrong.

MR. DOODY: And they never have squared for the past ten years.

MR. ROBERTS: But we will come back, there is an opportunity I would guess in the Budget Speech, and the numbers are not that important in this context, what is important at this time is the effect these are going to have.

I want to ask the minister if he will tell us what effect it is going to have. The old programmes had both a good effect and a bad effect. The good effect was that we were up to the national, we were being edged up to the national average, and we were spending the type of money that was so beloved of a minister in a department and so despised by the minister in charge of the Treasury Board who are spending fifty cent dollars. How many times did matters go to Cabinet with a price tag of \$100,000 and the minister sponsoring it and Cabinet or Treasury Board would say, Look we are going to get \$50,000 back from Ottawa, or \$60,000 back from Ottawa and that would be the selling argument, a fallacious method but that was a powerful thing in that it forced us to bring up our services. The bad side of it of course was that we did not determine our priorities, the priorities were determined by what we get from Ottawa and it was true in this Province and true all across Canada.

MR. ROBERTS: What I want to know is exactly what are the differences in what we are going to get. The ministers officials can tell him, they doubtless have, I venture to say, what we would have got with the old programmes in these two headings. I do not have the information. I do not know whether I could get it but I certainly do not have it. The minister ought to have it and I want to know what we are getting under the new programmes, or more specifically I want to know what the difference is. And if there is a short fall, and I am led to believe that there is, I want to know what effect that is going to have.

We now, as I understand it in this Province, are complete masters of our own health care system. Ottawa has no direct involvement.

MR. H. COLLINS: It is probably a good thing.

MR. ROBERTS: Well the minister says it is probably a good thing, I would agree with that. I suppose they will have to dismantle half of the Health and Welfare Department in Ottawa.

MR. DOODY: They will move them into something else.

MR. ROBERTS: Well the Minister of Finance has a lot of experience with these things, and he says they will do in Ottawa exactly what they do here: They move them from division to division and they will come up with an upgrading and a new set of assistants and be back at it again. But we now have complete control of our own destiny in the health sense, to use that phrase. So the next thing I would like the minister to tell us is exactly what he intends to do, what shape can he see, what changes are we going to make? Does he want us to move from acute care beds to other than acute care beds, and I can use, if he wants, half a dozen jargon terms but we do not need to. You know, one of the complaints against the old hospital insurance programme was that it paid the provinces to use the most expensive form of health care, the acute care bed, the hospital bed so beloved

MR. ROBERTS:

of so many people. It is not necessarily the best way to provide services. We are all familiar in many parts of the world where services are provided on an ambulatory basis or on an outpatient basis or on a day-care basis, services that are in every way comparable to those that are provided in many Canadian hospitals by in care, by acute care beds. And it is a fact, by the way, Mr. Chairman, was, and I venture to say it still is a fact, that Canada has probably the most expensive health care system in the world. And really it is one of the less efficient by any of the standard measures, you know, infant mortality or general incidents of illness of one kind or another. The Canadian health care system is not a particularly good one but it is a very expensive one. So I want to know where the minister sees us moving. And I want to know how this will express itself. I would like to know whether we are going to see changes in a delivery system. Are we going to see more community clinics? And I made throw in a little footnote here for the district of the Strait of Belle Isle. What about Flowers Cove? I could ask when we come down to the appropriate thing, but is it in here this year? I know the plans are well drawn. Mr. Steadman Mitchelmore in Green Island Cove has been in touch with me. I gather there has been consultations, and so forth. And is there any money cut out for this this year? Last year it was second on the priority list with Trepassey as first. Trepassey, I understand, was done last year. We are told that it is a marvelous job. Now, you know, where does Flowers Cove stand? Is it at the top of the priority list? If it is, as I trust it is, then what is it going to mean in terms of facilities there this year? There is a need for them, a very great need. But I would like to know what the minister sees with respect to new programmes or to changes in the programmes? In fact does he see any new programmes at all? I am not sure we need many more. What about preventive health measures? You know it is a truism, and it has been said a hundred times, but it is worth saying again, because it is a truism, that we put all our

Mr. Roberts.

money into curing illness and little into preventing it. And if we all ate less - and I suppose I am not one to wax to eloquent on that - and if we all drank less and smoked less and got more exercise, we would be an immensely healthier people, and this would have a very direct relationship, and a very quickly seen, a very quickly apparent relationship in the cost of health care.

It is a fact that in Canada we treat the illnesses. You know, we eat ourselves into a great obese state then the cost is very quickly seen in hospitals, or we drink too much. I mean we have a drug problem, sure. The worst drug problem we have is tobacco, and the next worst drug problem we have is alcohol. And the cost in human terms in this Province of alcohol and of addiction to - what is it? - nicotine in cigarettes, nicotine drug, that kind of drug is immense. You know, cigarette smoking does lead to an increased incident of cancer and emphysema and all the chesty diseases. You know, where does the minister see us going in this? What does he see? What is he doing about it? Are we going to have educational programmes? How does he envisage attacking it? How does he envisage doing something about what most people agree is the most productive area into which our dollars could be spent: Does he see any expansion of the facilities for treating alcoholism. Now I have not as yet looked through the estimates. My colleague the gentleman from Baie Verte - White Bay (Mr. Rideout) who speaks for us in the health field is temporarily away.

MR. COLLINS: It is not in that department.

MR. ROBERTS: Well I do not see it here. I assume it is in the Rehabilitation Department, but it is a medical problem, and perhaps the minister, who wears sort of a duel hat anyway, could tell us

Mr. Roberts.

exactly what is going to be done about alcohol treatment facilities. We are not going to stop alcoholism. We may not even be able to reduce it significantly, but surely we can treat some of the people. And I am told that there may be 30,000 alcoholics in this Province, you know, 6 per cent. If it is 6 per cent of the population, 30,000 people. Six out of every hundred. One out of every sixteen are alcoholic. I mean it is staggering. By the way, that means if we are statistically accurate here, there are three members of this House who would be medically classed as alcoholics.

MR. NEARY: That is right, and I would say that that is even unestimating that.

MR. ROBERTS: Maybe.

MR. NEARY: Per capita I would say that there are about - no, I better not say.

MR. ROBERTS: You know, it is a very serious problem, and we all in our way have seen it in case work in one's district or among one's friends or acquaintances, you know, of the horrible price, the cruel price that alcohol exacts. The state profits from it. Somewhere in these estimates there is about \$34 million that is coming into the kitty this year from the sale of alcoholic beverages. Well I do not object to that so much. I mean, if we are going to have alcohol, and prohibition does not work, if we are going to have alcohol, then we surely should

MR. ROBERTS: come to grips with it and let us get the revenue for the state by all means. But what are we going to do, you know, to undo the harm which comes from our state sponsored and state encouraged and state benefitting monopoly on alcohol? And I would put in a particular word here, perhaps we could come to it later when my friend from Eagle River (Mr. Strachan) is with us, but the situation on the Coast of Labrador which is incredible! I am told that there were 32,000 cases of beer sent of Hopedale and is it - I do not have the figures with me. I was not aware this debate was coming up tonight, but we will see if I recall them. Something like one and a half cases of beer per person per day, something like that, man, woman and child. Absolutely unbelievable!

Maybe my friend from Naskaoui (Mr. Goudie) might I mean I am in the right ballpark. I may have - but I mean, absolutely astonishing. Now what are we going to do about it? We cannot ban alcohol. I mean that is an unrealistic thing and probably unacceptable from a civil rights point of view. But what does the minister see being done about it because it has very real medical consequences.

MR. MURPHY: 'Ed' how was it we saw that commission was granted. I remember we had a debate, I think the hon. member for Fogo (Captain Winsor) was - remember that, about that -

MR. ROBERTS: Oh about - It was before my time.

MR. MURPHY: Was it? I thought it was the mid-sixties, around there.

MR. ROBERTS: No. I would have said 1960-61.

MR. MURPHY: I was just wondering.

MR. ROBERTS: I came to work with the government originally in 1964. It was before my time.

CAPTAIN WINSOR: It was 1962.

MR. ROBERTS: My friend from Fogo (Captain Winsor) say it was 1962, so the gentleman and I are both, you know, in the right.

MR. ROBERTS: Well now my time is nearly gone at this intervention. Let me say I will come back, particularly the question of facilities. I think that is worth a thoroughgoing debate. But would the minister tell us a little about some of these broader issues of programmes - when does he see the system going? Most of this money is vast sums of money, I mean staggering sums, and some of these subheads must be among the largest subheads in the entire estimates. But much of it is ongoing. It is maintaining what we have now. It is not necessarily improving the services. In some cases it may decrease them. I know many hospital administrators are concerned that they have been cut down so much so that the quality of service is beginning to drop. But could the minister tell us his thoughts on these fields. I think they are fertile. I think it is an area where the Committee have a right to know the minister's policy, the government's policy, the minister's views, and then other members doubtless want to speak, well and good. Later on I will raise the question of facilities because I think - I do not think the minister has been terribly involved, I think he is an innocent bystander in this one, but the government's record has been shoddy beyond belief and there has been deception piled upon deception, and this section of Grand Falls and the Burin Peninsula and - where is the third one - oh Clarenville, yes of course - I mean, it has been a cheap and shoddy incident but I will come back to that; that is a different matter altogether from the much broader questions that I have tried to outline.

And, Mr. Chairman, perhaps if the minister could deal with these, or others members may want to speak and then the minister respond, I will come back later and have a go at some of these hospital - you know, the facilities question.

MR. ROBERTS: But for the time being perhaps the minister can outline his thinking on some of these very major issues which are the issues with which the minister ought to be concerned. The administration of the day to day operations of the hospitals is not in the government's hands nor should it be. The trend which the present government began, carrying on the work of the last Minister of Health in the Smallwood Administration, and it is well they did, it is the right thing to do, but the new directions, new priorities—that is where the minister ought to be putting his attention and perhaps he could tell us what he thinks of it, Sir.

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, I too, Sir, think that the minister should give the members of the House while we are in Committee a general outline of the state of the health of the people of the Province at the present time. The minister in his introductory remarks, Sir, did not really touch on the main problems that are facing the people of this Province health-wise.

Mr. Chairman, before I deal with some specific matters I would like to express disappointment that the government did not resume

Mr. Neary:

its construction of new hospital programme this year. The people in Channel-Port aux Basques are extremely disappointed that they are not going to see the start of their new hospital this year. I had several meetings with the minister and his officials last year before the Budget was brought down, and the minister told me and his officials told me that Channel-Port aux Basques would rate top priority, would be in the top three when the government decides to resume its new hospital construction. God only knows when that will be, Sir. I think the minister should give us some indication of when in the minister's opinion - I know the minister does not have a crystal ball - the minister should be able to give us some indication when we can see the construction of new hospitals started up again in this Province.

Not only are the people of Channel-Port aux Basques disappointed but the people on the Burin Peninsula are extremely disappointed, bitterly disappointed to say the least. And, of course, out in Grand Falls controversy is raging over the lack of funds to expand the hospital in that community. And, Mr. Chairman, one thing I cannot stand is hypocrisy. No sooner had the Minister of Finance brought down his Budget when we saw the Minister of Rural Development take to the airwaves and condemn the administration for not allowing sufficient funds to expand the hospital in Grand Falls. A member of the administration! The minister wearing two hats! He takes off his minister's hat, steps out on radio and television and condemns his colleague for not allowing, not allocating money -

MR. SMALLWOOD: He should resign.

MR. NEARY: - that is right, Sir. - to expand the hospital in Grand Falls. What the minister should do if he disagrees with his colleagues, never mind being hypocritical about it, the minister knows what he can do; resign in protest.

AN HON. MEMBER: That will not get the money.

MR. NEARY: It may not get the money, but it will give the minister the satisfaction.

SOME HON. MEMBERS: Oh, oh!

MR. MURPHY: Everybody is disappointed.

MR. NEARY: Mr. Chairman, the Minister of Rural Development, the member for Grand Falls (Mr. Lundrigan), is being nothing but a hypocritic in this whole matter. And all the minister is doing is making himself a laughingstock. Because here the minister is a member of the administration, one of the senior members of the administration that made that decision, and then he has the gall - you know, how stupid must the hon. minister think that the people of this Province are - condemning his own colleagues, his own administration. Nobody is buying that, Mr. Chairman. If the minister does not like it let him resign, man-fashion, let him stand up and be counted. He cannot talk out of both corners of his mouth. The minister cannot wear two hats. He cannot say I am a minister now, and five minutes after, I am not a minister. It does not work that way, Sir.

Mr. Chairman, as far as the hospital for the Burin Peninsula is concerned, again I heard the Minister of Justice, the member for Grand Bank (Mr. Hickman), being a little bit hypocritical. A delegation came in about a week or ten days ago from the Burin Peninsula to discuss the regional hospital with the government, with the Premier and the Minister of Health and various other ministers, and then when they went back home somebody, deliberately or otherwise, stirred up a controversy about the three regional hospitals that they have on the Burin Peninsula now. What will happen? Somebody said, What will happen to the three regional hospitals?

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Well, I do not know, Sir, I would think it is probably a deliberate move to undermine the work of the committee, to sort of turn one community on the Burin Peninsula against the other. What will happen, they said, to the hospital in Grand Bank, St. Lawrence and Burin when we have a regional hospital? The next thing I hear is

MR. NEARY:

the Minister of Justice, the member for Grand Bank, taking to the airwaves, "Oh they will be turned into clinics. They will still operate." Here you have a group of people looking for a regional hospital for the Burin Peninsula to take the place of the three hospitals that are there now, the three cottage hospitals, and we have an indication from the administration that if and when this hospital is built it will replace the three cottage hospitals, and we have the Minister of Justice saying, No way are we going to lose our hospital in Grand Bank.

AN HON. MEMBER: The hon. minister did not say that.

MR. NEARY: The minister did say that. I heard the -

Mr. Neary:

minister saying, that it would be turned into a clinic.

AN HON. MEMBER: While the Committee was waiting.

MR. NEARY: While the Committee was waiting to get in to see the ministers, the Premier.

So I would like for the Minister of Health to clarify this matter. What will happen to these three cottage hospitals when the regional hospital is built on the Burin Peninsula? The Minister of Health is the boss. Will there be medical clinics put in these communities that now have cottage hospitals? Will the old cottage hospitals be closed down altogether, and the regional hospital will service the whole area? I believe it is incumbent upon the Minister of Health to tell the House what is going to happen on the Burin Peninsula, to set the record straight. The Minister of Justice does not speak for the Health Department, as much as the hon. gentleman would probably like to speak for all government departments, I do not think he speaks for the Minister of Health. So let us have it straight. Never mind double talking. Give it to us straight and tell us what is going to happen when this regional hospital is built, if and when it is ever built.

And then what is going to happen to the hospital in Clarenville? Has that one being shelved? Will there be a start made on that one in the foreseeable future? I think the minister owes us an explanation on this matter of the construction of new hospitals in this Province.

Mr. Chairman, as I said when I began my remarks the minister should give us an outline now of the general state of the health of our people. For instance, Sir, the minister should tell us how the -

MR. DOODY: Do you want to start with me now? I am a dental case.

MR. NEARY: Well I was just going to start talking about the dental care programme, I do not know if that applies to the hon. minister, I do not know if the minister is having trouble with his

MR. NEARY:

plate. I know one member the other day could not appear in the House because he had his plate in for repairs, it was not the Minister of Finance.

MR. DOODY: Mine is good.

MR. NEARY: But I would like to hear, Sir, a few comments from the minister on the Children's Dental Care Programme. How is it working? What is going to become of the two dentists, one in St. John's and one in Corner Brook that were caught chiselling on the Children's Dental Care Programme? How much of this has been going on over the past few years? What will happen to these dentists? Will the amounts that have been cheated out of the Children's Dental Care Programme -

MR. DOODY: Chiselling is an important part of a dentist's practice.

MR. NEARY: It probably is. Will the amounts be recovered from these dentists resulting from their submitting false claims?

AN HON. MEMBER: False teeth.

MR. NEARY: And how many dentists have been involved? I have heard of two myself, one in St. John's and one in Corner Brook. But how many have been involved under the Children's Dental Care Programme in making false claims or over-charging for the years, say, 1972-1973, 1974-1975, and 1976? And what legal action has been taken against these dentists who have been making false claims under the Children's Dental Care Programme? Is the minister and the government going to leave the disciplinary action up to the Dental Association, or is the Minister of Justice going to prosecute? I understand that the Dental Association are trying to head off prosecutions, because they are afraid of the unfavourable publicity that they will get at this particular time when the denturists are trying to get legalized in this Province. It is about time, Sir, that this matter was brought out into the light of day, and let the minister stand and tell us what is going to happen in this case. If a welfare recipient cheats

Mr. Neary:

a little bit on his welfare, it is not long before he is taken in-
to court, If somebody cheats on unemployment insurance, some ordinary
person, they cannot make a deal, You cannot have the unemployed
discipline these people, they are dragged into court. And the
dentist is no exception, If they have broken the law, and they
violated the Criminal Code in any way, then they should be prosecuted.
So let the minister tell us what is going to happen with these two
dentists who have chiselled, and were caught accidentally. They
were caught accidentally, Sir, according to my usual reliable
source of information. It was a pure accident the way they got
caught. And is the minister's department now researching this
Children's Dental Care Programme, to find out just exactly how much
cheating has gone on

MR. NEARY: over the past several years. The thing has been more or less wide open, Sir. They have had a blank cheque. I am not saying, Mr. Chairman, that all dentists are doing this because I do not think they are. I think that most dentists like any other group, any other profession are honourable people, honest people it is only the few rotten apples that spoil the barrel. And I think my hon. friend who sits over there in the backbench will probably agree with that. The same thing applies to the doctors. We know for a fact that a number of doctors have been caught cheating on MCP. What has happened, have there been any prosecutions in the court? Has the money been recovered? What disciplinary action was taken against these doctors? And how many doctors and how many specialists have involved in making false claims or overcharging MCP? And as I say what legal action has been taken against these doctors who have been making these false claims?

And again, Mr. Chairman, I want to emphasize that I think that the majority of doctors and dentists are honourable men and are not cheating. Again, Sir, it is just a question of two or three rotten apples spoiling the whole barrel. But I believe the professions themselves, both the medical profession and the dental profession, would be very happy to have these gentlemen who have broken the law, who have robbed - and that is a pretty strong word, Sir, but that is what it amounts to - who have robbed the taxpayers should. The matter should be brought out into the open. Mr. Chairman, people who cheat on unemployment insurance get their names in the newspaper, so why should the dental association go down to the Minister of Justice and try to head off prosecutions by promising to discipline these two gentlemen?

MR. COLLINS: Who did?

MR. NEARY: The dental association.

MR. COLLINS: For whom?

MR. NEARY: The two gentlemen who chisled on the Children's Dental Care Programme. A dentist in St. John's and a dentist in Corner Brook.

MR. COLLINS: That is not established.

MR. NEARY: Well I am trying to establish it now. I am laying out a case and I am hoping that the minister will react if it is true and I hope it is not.

MR. J. CARTER: If it is false you will blacken all dentists.

MR. NEARY: No, Sir, I have not blackened all dentists. I know wherein I speak, Mr. Chairman. I do not have to take the bait that the hon. member for St. John's North is throwing out. Mr. Chairman, I would also like to get the minister's views as to when the Health Sciences Complex is going to open its doors - The Robert's Memorial. Mr. Chairman, the Robert's Memorial that has been under construction now since 1971 I think it is - in early 1971 and here it is 1977 -

MR. DINN: What Roberts?

MR. DOODY: Lord Roberts.

MR. NEARY: -and the building we are told is not going to be ready for occupancy until 1978. Seven years.

MR. CARTER: It will be finished for his tuition.

MR. NEARY: Seven years to build a hospital. That has got to be a world record, Sir. Seven years to build the Robert's Memorial. The cost is escalating with every year that passes.

MR. DOODY: We will finish the drive in 85.

MR. NEARY: It started out to be a project that would cost \$45 million. It will be closer to \$100 million before it is finished but while that construction is going on, Sir, down at the General Hospital there are all kinds of renovations going on. Painting, tearing down partitions, putting up partitions, so it is costing the taxpayers really double. Can the minister tell us how much renovating has been done at the old General Hospital in the last few years while we are waiting for the Robert's Memorial to be completed? It is absolutely fantastic, Sir, the amount of money that is being spent on repairs and equipment. So it is costing us double.

MR. CARTER: Are you settled on that name or could you be changed, convinced?

MR. NEARY: I could be convinced.

MR. CARTER: Do not insult your new leader.

MR. NEARY: So, Mr. Chairman, I would like for the Minister of Health to tell us the cost of painting, electrical repairs, mechanical repairs, changes in partitions and any other renovations, maintenance and repair costs to the General Hospital for the past three or four fiscal years, not withstanding the fact that in a lot of these cases public tenders were not even called.

Mr. Neary.

They were just passed out as political patronage. I would also like to find out from the minister, Sir, the total number of injuries that were suffered by members of the staff at the Waterford Hospital in the performance of their duties over the last couple of years. I would like to ask the minister - and I have not been able to get an answer, and I might say, Sir, right at this point that I have asked the Minister of Health, I believe it is, twenty-eight questions so far on the Order Paper, the proper place to put questions like the kind I am asking now. I put them on the Order Paper, twenty-eight, and I have gotten three answers from the minister so far since February 2. The minister is one of the biggest culprits in the administration for not answering questions. I would like to find out, Sir: How many female attendants, how many male attendants, how many registered nurses suffered any injuries, and the total number of workdays that have been lost in the Waterford Hospital as a result of these injuries? And what measures have been taken by the Department of Health to curtail the risk of such injuries to hospital staff? I think that is a fair question, and I would expect the minister to respond to it. We have not heard very much from the minister since the strike started at the Waterford.

There are two crises that have developed in the minister's department. There was the controversy over at Exon House, and the strike at the Waterford Hospital, and the minister so far has managed to steer away from both. The Minister of Tourism had to bear the brunt of the controversy at Exon House, and the Minister of Finance is taking the rap for the strike at the Waterford Hospital. In the meantime the Minister of Health remains silent, mute. He takes off for Florida while the controversy is

Mr. Neary.

raging in the minister's two departments and the roof if falling in.

Mr. Chairman, over the past several years we have heard quite a bit of controversy about abortions in Canada.

MR. J. CARTER: We are looking at one now.

MR. NEARY: It is too bad they could not make them retroactive. Every time I look at the member for St. John's North, I wish they could make it retroactive.

MR. J. CARTER: The word is retroactive. Do not use words you cannot pronounce.

MR. NEARY: Mr. Chairman, I would like to find out the total number of abortions or hysterotomies, which is another name for them -

MR. J. CARTER: Hysterotomies?

MR. NEARY: -performed in the Province in the calendar years 1974, 1975 and 1976, in all our hospitals. Where are the abortions being performed? What hospitals? Give us the number. Give us the number performed at St. Clare's Hospital, at the Grace General Hospital and at the St. John's General Hospital, and the reason the pregnancy was terminated? Was it because of a matter of life and death of the patient?

MR. J. CARTER: The fetus looked like the hon. member.

MR. NEARY: Was the patient -

The hon. gentleman can poke all the fun he wants.

MR. CHAIRMAN: Order, please!

The hon. member may continue.

MR. NEARY: Mr. Chairman, was it a matter of life and death?

Was it because the patient was emotionally distributed?

MR. CHAIRMAN: Order, please!

The twenty minutes is up.

MR. NEARY: Well, okay, Mr. Chairman, I will have to come back at it again.

MR. CHAIRMAN: The hon. member for Burin - Placentia West.

MR. CANNING: Mr. Chairman, what I am going to say tonight in connection with the Department of Health and in connection with the regional hospital on the Burin Peninsula, it will not be my first time to stand in this House begging for that facility. We are trying to prove to this House that it was needed back in the 1960's, 1968, 1969. Mr. Chairman, I was after the Liberal Government, and at that time I was promised by the Minister of Health of the day, Mr. John Crosbie, that within two years from then - I just forget the date, it was in the late 1960's when he was Minister of Health - that the Province would be ready or in a position to go ahead with that regional hospital. I waited my two years and no hospital.

Mr. Chairman, at that time, the medical conditions or the facilities and the number of doctors was much worse.

MR. CANNING: The facilities were less even today and we did not have as many doctors, and perhaps I would say that we did not have such fine doctors as we have there today. So first of all I am not making any complaints about the medical facilities we have there as such because I think they are A-1 as far as the Nurses, the Doctors, and the staff of the various hospitals are concerned, the three or four of them.

Mr. Chairman, later on then we had another Minister of Health. I believe it was the present Leader of the Opposition who was Minister of Health, and I came out one day openly and said that we were losing lives on the Burin Peninsula, we were losing lives in areas where we had cottage hospitals. Mr. Chairman, I knew of some cases. I brought here before the House one night a case of a man who had broken his leg, who had been splinted up, sent home and left at home until his daughter who was a nurse here in St. John's went out - he was waiting for about three weeks, I think it was - went out for him. She took a chance on it, she took him in her car and she brought him to the General Hospital. He was rushed right in and, of course, his leg set and put in a cast and, of course, he came out of it all right. But up until that time he was waiting in his own home with a broken leg and no cast on. He had gone into a cottage hospital, they could not take him in - no beds there I suppose - they sent him home and he was left in his home suffering. That was a fact. I told the minister today if he wanted to check it to check with the nurse, check with the hospital and he will find out that it was a fact.

Mr. Chairman, of the people who died, of course, I did not have any proof because I was

MR. CANNING: not a doctor. Anyway, the statements that I made kicked up a hell of a furor. Some of it came from the Burin Peninsula, from the mayors of the day, some of it from the doctors of the day. A few of them said nothing because they knew what I had said was true. The doctor at Placentia did not come back at me, and one other. The others did. They blamed me for playing politics, blamed me in the wrong. For the time that I was in Placentia Bay, up until a certain election, I suppose, I did not have to play politics, I was doing my work, the people were on my side, and I was going out and being elected, and re-elected, and re-elected, and re-elected. I did not have to do it, nor I did not do it.

The statements I made were made in all sincerity. As far as I knew they were true. I knew they were true, but I could not prove it. Anyway, Mr. Chairman, it came to the point that the Medical Association of Newfoundland said, All right, we have to clear ourselves of the accusations, or charges that member made so we will have a meeting, a meeting of the Association. They called a meeting, they had it, I do not know what went on there, I can guess, but they came out and not one single word was uttered, no statement was made, we never heard of it afterwards. The reason for that, Mr. Chairman, was because the accusations and charges which I had made were true. They could not come out against them, and I guess when they got together they said, Well, if he goes ahead with it, and he names the people who have died and we have to have autopsies or take them up or something, we will be in an awful mess. They knew it was true. We did not have the facilities, and in some cases we did not have the good doctors at that time. I must say, now we have.

Mr. Chairman, I come directly

MR. CANNING: to the way that this government have acted, to the way they have treated the people of the Burin Peninsula regarding the hospital.

Mr. Chairman, number one was they promised it on the eve of an election - I have said that here before, and we have heard it on the airways, and you can hear it on the streets up there, everywhere you go - it was promised. The two gentlemen who represented Placentia West and the district of Burin at that time - now the district of Grand Bank - went up there and they told the people. They made arrangements to have a sign put up, the site was chosen. Of course

MR. CANNING: there was no testing of the ground, they did not have a clue that you could build a hospital there. They did not know what was under the sod. During the election the same people who were out in the nights campaigning from door to door were taken on without any tender call or anything like that, they were given a job during the election. So you could almost call what was spent on it the slush money. They were banging from door to door telling them to be sure and vote for that great Cabinet minister that they had, not to vote for the fellow, you know, from the backbench who had stayed in the backbench, a fellow who had done little or nothing for their district. And of course the people laughed at that. They did not believe it. That is what was going on then. You had a heck of a mess there around the roads. It was just terrible. You would drive through and your car would be covered with mud. You were scraping off mud.

Mr. Chairman, the first thing that should have been done there would be to test. The Department of Public Works should have gone out to test the soil to see if it was suitable to build a hospital on. Oh no. They did not go drilling or boring to see what the soil was like. That was only done two months ago, Two or three months ago that was done. So it was only two months ago that we knew that the site was even suitable. For two years the mocking sign was there, mocking the people and deceiving the people.

Mr. Speaker, the people are a bit desperate up there for the hospital, so they came in a couple of weeks ago with 11,000 signatures of the people of that whole area and up the Coast and it went into three or perhaps into the fourth district.

AN HON. MEMBER: It must of gone into four.

MR. CANNING: Yes, I guess it did, into the fourth district.

MR. CANNING: They came in and I will just give you a picture of what happened. I was here, of course, to meet them. I went down and met those gentlemen, people who had worked so hard to get a hospital, kept the committee going for years with both governments, both the Liberals and the Tories, so they came in with this, I suppose, the largest petition ever brought to the House of Assembly, or supposed to have been brought to the House of Assembly.

I met them. I went into the minister's office to see if the minister was there, to let him know they were here. He was not there at the time. I asked his secretary where would the meeting be held, where would he meet this group, this delegation. He showed me the room, we went in it, we waited a while, the minister turned up and, of course, they started to put up their case with the petition. We were there possibly five to ten minutes when the Minister of Justice came in, and that is where some more of the deceit started. He told them he did not know of the meeting. He did not know it was on. He was surprised when he came in.

Mr. Chairman, then of course the first thing the minister did, that is the member for Grand Bank, 'cutie', first thing he did he found with the petition there he took it for granted that the minister had already accepted it, which he had actually accepted the petition, I said, "This is not the way to do it. This petition is supposed to go to the House of Assembly." But the Minister of Justice, I would like to call him something else besides 'cutie', I have another word that would suit him very well, something he is called on the Burin Peninsula now but I cannot use it here. It is not parliamentary.

AN HON. MEMBER: What is it?

MR. CANNING: I said I cannot use it here, it is not parliamentary.

MR. J. CARTER: By leave. Let us have it.

MR. CANNING: I cannot hear you. He knows what I think of him. He knows what the people think of him now unless he is blind or deaf. The people think of him up there -

MR. NOLAN: Or dumb.

MR. CANNING: Or dumb or something, I can assure you the people of the Burin Peninsula are neither deaf nor dumb.

MR. NOLAN: Hear! Hear!

MR. CANNING: So, Mr. Chairman, point number one is he blamed it on his secretary, he said, "Oh my secretary must have forgotten it." Imagine his secretary forgot to tell him there was a group coming in from the Burin Peninsula with 11,000 names. Now who is going to believe that?

Mr. Canning:

Now I could call him another name that is unparliamentary, and I cannot call it, I will just say he was handling the truth very carelessly. And then, of course, he came out with a whopper altogether, he congratulated the committee, he congratulated them, "Sure you done the right thing. Come to the minister with the petition." And I said to him, I do not know what I called him, I guess I called him 'Mr. Hickman,' "You know as well as I do this petition is meant for the House of Assembly not for the government, not for the Opposition, it is for the people's House." And he admitted it sort of. "Well," he said, "Mr. Canning is around here longer than I am, and I do not doubt that he may be right." But anyway they kept it there, because both of them should have told the people, if they did not know.

SOME HON. MEMBERS: Hear, hear!

MR. CANNING: If they did not know the proper procedure. The Minister of Health is here long enough to know. He knew.

MR. NOLAN: Shame.

MR. ROBERTS: He did not want -

MR. CANNING: But he smiled and gladly grabbed it, we got it here, so we do not have to put with the Opposition this afternoon telling us off or demanding medical facilities.

MR. NOLAN: Shame! Shame!

MR. ROBERTS: Of course, the minister knew there would not be anything in the Budget.

MR. CANNING: So all right, just a minute, I will just tell you what went on then. The minister was late coming in, I said. Do you know where the minister was, the Minister of Health was? The Minister of Health was out on open line telling the people of the Burin Peninsula "Well if you get this hospital, the other hospitals will close up there." Mr. Chairman, he better get the tape and see what he said, because I will tell you everybody on the Peninsula thinks it, I did not hear it. I could not hear the radio I was here meeting the delegation. That was the place for me.

MR. NOLAN: Hear, hear!

MR. CANNING: But he did tell them, and he was the one that said that first. The first time I ever heard it - and I have asked, not dozens, I suppose, I have asked a hundred people on the Peninsula did they ever hear me or hear anyone else one say to close the other hospitals? What fools we would be. Imagine close the hospital in St. Lawrence.

AN HON. MEMBER: Windsor-Buchans.

MR. CANNING: Who would say they would close a memorial hospital to two or three hundred men who died on their way to war and the brave people of St. Lawrence and the other areas there who saved a couple of hundred more, I do not know the figures, I was not in the Province then, I was in another place, thinking anyway at least, I was under the impression I was fighting for, you know, democracy, a better world and a freer world. Mr. Chairman, sometimes when I sit in this House here and see what is going on, and see what the Tory Government are doing, it was my youth wasted as far as we are concerned.

So, Mr. Chairman, I was with the minister, I acted pretty fair, when I came in this House, I said, I will co-operate with the government for the good of Newfoundland, which I have done up until now. I have not been here yelling at them, and blaming them in the wrong or playing politics or anything like that. It is only when I see something unjust or something wrong or dishonest happening you are going to hear from me. When they are doing all right I am going to give them credit where credit is due. And, Mr. Chairman, I will tell you this when I was on that side of the House as a backbencher I tell you what the Minister of Industrial Development what he said the other day was pretty small stuff to what I said over there. I did not mind speaking my mind.

MR. PECKFORD: But the hon. gentleman was not in the Cabinet.

MR. CANNING: Probably that is why I was not in it. I probably had too much guts and stood up for the people. Perhaps I would not suit in it, and perhaps I would not as a Cabinet should be. I

MR. CANNING:

do not think I would. I think there were things happened during the Liberal Administration I probably would have been kicked out of Cabinet. When I came in here I came in with one intention to be just and honest and straight and fair. Nobody would draw me into a Cabinet to get mixed up in anything that was not just and honest. I would not stay in a Cabinet that was not just and honest, I would make a living somewhere else.

Now, Mr. Chairman, I have got a few questions for the minister, I hope he will give me this, and he will give me the truth and he will not deceive me. I want to know where the revised estimates for last year from - the estimates last year were over \$600,000 anyway, over after a million, so we did not get it, so it is no odds about it. It was over half a million last year supposed to be spent on the hospital. Up until October according to the minister there was nothing done towards the planning of the hospital. There was not one single figure on the paper according to the minister in October,

Mr. Canning.

but there is a revised figure there of \$150,000. I would like to know where that is gone. If it was spent, who spent it or who was paid? If there was either cent spent on it, I would like to know where it is gone. The Department of Public Works had to pay somebody to go up drilling. And I suppose before the election they had to pay for that sign. There is a fancy sign. It is at least one sheet of one inch plywood or five-eighth or something like that. So today that is about \$14 a sheet. Then it was probably \$10. They got somebody to paint out their intention, the site, the site of the Burin - how does it go ?

AN HON. MEMBER: Have you seen it?

MR. CANNING: Well, no, I do not look at it any more. I just turn away from it when I pass along. It makes me sick to look at it.

MR. NEARY: It is taking up a good hospital.

MR. CANNING: The people of Burin, in the Burin area, to go try to deceive them like that, and one of their own boys - imagine, one of their own on the Burin Peninsula, brought up on the Burin Peninsula, he knows the people. The people of the Burin Peninsula did not deserve that who are producers of this Province. The people like I said the other day are paying their way. Who is paying their way in Newfoundland today? Not St. John's I am sure where you got all the facilities, where you got all the -

MR. MURPHY: Why not?

MR. CANNING: Why not?

MR. MURPHY: Why not, yes?

MR. CANNING: Do you know why, because St. John's takes the money out of the government, as much as they possibly can, out of the government with their rentals, with their contracts, with their sales, they take it out of the people, they take it out of the

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Portuguese who come into the harbour, they take it out of the federal government where they can get it.

AN HON. MEMBER: Yes, they want everything.

MR. CANNING: Yes, this is the most parasitic city in Norther America right here.

MR. MURPHY: You are doing all right.

MR. CHAIRMAN: Order, please!

MR. CANNING: Tell us about the twenty buildings you got rented outside of this. Who owns them and what you are paying for them, where we only had a half a dozen five years ago? What have you got now? Twenty-seven or twenty-eight. The questions are on the paper, but I cannot get them answered. Tell the people of Newfoundland how many more civil servants you got today than you had in 1972.

MR. MURPHY: We got them all. We have been producing more.

MR. CANNING: Mr. Chairman, I wonder ' would that hon. gentleman keep quiet, keep quiet for God's sake.

MR. CHAIRMAN: Order, please!

I would ask the hon. gentleman to remain silent.

MR. CANNING: Who is producing in St. John's. What is produced in here? A plant on the Southside. What else? You can get \$750,000 for a little bit of a square of land which nothing was ever put into and never seeded. You can give another contractor \$100,000 for a couple of acres of land. You can hire every square foot of the Crosbie Buildings. You can pile in enough of civil servants , and I suppose you would have to hire them, and the other contractors, the Lundrigans, and the other contractors, plus the buildings that those big contractors when they took over the small contractors and their buildings, plus those buildings. You do that in here. That is not producing. That is not producing to have a couple of thousand civil servants that you do not need, got nothing to do. They got nothing to do, fine people,

Mr. Canning.

but they are going to be spoiled. They are going to spend too much time down in the canteens. They are going to spend too much time drinking coffee in their young days. Perhaps when the day comes when they will have to get out of it, they may not be able to go to work. They will not be use to work. They will not be use to taking direction if they have not got it now. Let him answer those questions I have on the Order Paper - the Minister of Finance answered them and the Minister of Public Works - until I bring them out and show them to the people of Placentia West - or Burin - Placentia West and show them where their money is going.

Mr. Chairman, 200 beds closed in hospitals this year. At the present moment if anybody wants proof I will bring them to the hospitals tomorrow. In hospitals in St. John's at this moment there is one woman from Burin - Placentia West who was three years waiting to get in. There is another man in the hospital with a disc, I think with a slipped disc or something, since last June waiting to get in the hospital. There is another here who was eight months , and there is another who has gone home with discs. I just forget the term they use. Anyway two discs put in one - frozen I think or something they call it.

AN HON. MEMBER: Fused.

MR. CANNING: Fused.

It could not be frozen no.

MR. CHAIRMAN: Order, please!

MR. CANNING: - fused together who waited two years to get in here.

MR. CHAIRMAN: Order, please!

SOME HON. MEMBERS: By leave.

MR. CANNING: It is really too bad because I really had a few more whoppers. Thank you.

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Sir, when my twenty minutes ran out I was putting a question to the Minister of Health, Sir, about abortions and hysterotomies performed in this Province?

MR. J. CARTER: Hysterectomies.

MR. NEARY: No, not hysterectomies, hysterotomies. The hon. gentleman should go and check his medical dictionary. The Minister of Health, Sir, I believe owes -

MR. J. CARTER: What are hysterotomies?

MR. NEARY: It is an abortion. It is a medical term for an abortion.

MR. LUSH: The St. John's North (Mr. J. Carter) member did not know it. He did not know it.

MR. NEARY: That is one time the member for St. John's North (Mr. J. Carter) got left.

Mr. Chairman, I am not going to enter into the controversy about abortions. But I am going to say this, Sir, that I read in the paper recently that most of the hospitals across Canada are a slaughter house. Abortions are being performed right, left and centre, and all I am trying to do is to find out here in this Province what our track record is as far as hysterotomies or abortions are concerned.

Now, Mr. Chairman, I am not going to argue pro or con but I am going to say this that I have very grave doubts, and I am thinking out loud when I say this, whether or not MCP should be paying for abortions.

MR. MURPHY: Are they paying?

MR. NEARY: They are paying. Yes, Sir, MCP pays for abortions.

MR. MURPHY: It should not be.

MR. NEARY: The minister is quite right. I would like to have an explanation for it before I make up my mind, should MCP be paying for abortions? In a lot of cases these abortions are done on daughters of families who can well afford to pay for it, can well afford to pay for it.

MR. NEARY: Neither do I think, Mr. Chairman, that MCP should be paying to have females tubes tied off.

MR. J. CARTER: What do you call that?

MR. NEARY: Tubaligation. I think. If they want to have it done well and good, let them pay for it. Why should the taxpayers pay for these sort of things. The minister started off moaning and groaning about the cost of health care in this Province and how Ottawa was putting the gears to the Province and to the Minister of Health. Well, Sir, I think it is about time that we took a look at our own house, tried to put our own house in order as far as MCP is concerned. Are our hospitals being turned into slaughter houses? Are they? Maybe they are not. Maybe this is only happening on the Mainland. Maybe the trend has not yet hit Newfoundland.

What I would like to know, Sir, if abortions are being done in all our hospitals across this Province and on the Mainland part of the Province in Labrador or are they just confined to St. Clare's Hospital, the Grace General and the St. John's General? Are any abortions done outside the city of St. John's? And I would like to know the reason for terminating the pregnancy, a matter of life and death of the patient, the patient emotionally disturbed, rape, drugs, other. And what has been the cost of these abortions or hysterotomies to the taxpayers of this Province through MCP? And what proportion of the cost went to specialists, gynecologists, obstetricians, etc.

Mr. Chairman, here is something else. My hon. friend probably over there from Exploits (Dr. Twomey) can straighten us out. If you go to a general practitioner and say the girl goes in for an examination and the doctor says, "Well you are pregnant," and she says, "Well I want

MR. NEARY: to terminate the pregnancy," and the GP will then refer the girl to a specialist so that is another cost. And there may be two or three or four specialists involved before they are finished, plus the cost of a surgeon, plus the cost of special medication and other incidental expenses.

So, Mr. Chairman, what I am asking the minister to tell the House is

MR. NEARY: if in the minister's opinion MCP should be paying for these things or should the patients pay themselves? I consider that to be a very fair question, I would like to know how much of this is going on in this Province? What about the committees that were set up at the three major hospitals here in St. John's? Are they being by-passed, are they being duped, because my understanding, my understanding initially was - Mr. Chairman, I am afraid I cannot debate and listen to a conversation at the same time. That is one of the weaknesses I have. I am something like the hon. member for Twillingate in that regard, Sir.

Mr. Chairman, when the committees were set up initially we were told that the only time an abortion would be done would be after due consideration by the committee and a matter of life and death of the patient. That is what we were told, Sir. But now I understand that pregnancies are being terminated when the patient is emotionally disturbed - excuse me, there is one other reason, I believe, rape I believe -

AN HON. MEMBER: Social.

MR. NEARY: Social. You mean the advisory committee could terminate a pregnancy on social grounds? Or recommend -

DR. TWOMEY: It could be requested on social grounds.

MR. NEARY: Oh yes, right! Oh yes of course but that is not one of the justifications, one of the reasons for doing it. The committee has become very lax, these committees have become very lax and lackadaisical. And now almost any excuse at all and they will approve an abortion.

SOME HON. MEMBER: If the fetus resembled the hon. member that would be grounds for an abortion.

MR. NEARY: Mr. Chairman, that is really humorous, that is really great stuff. Why does the hon. gentleman not go back to his savory

MR. NEARY: patch where he has been all day? So, Mr. Chairman, I want to hear the hon. minister give us an updating, give us a report on what is going on now in our hospitals as far as abortion is concerned. I am not against it, I am not saying that. I just want to find out what is going on for the record - to set the record straight, to give the House some information. As I say we saw the other day in the newspaper that the hospitals across Canada are becoming slaughter houses. Well maybe it will take Newfoundland a year or two to catch up, maybe it has not caught up with us yet. But I believe it would be an interesting exercise to hear what the minister has to say about that.

And what about the Swine vaccine programme that we heard so much about the early part of the year and last Winter? The minister made no reference to that at all in his introductory remarks. What was the cost of this programme in Newfoundland and Labrador? And the number of persons who were vaccinated, and the amount of the serum purchased and not used, and the value of the serum presently on hand.

I understand, Sir, that there was over a quarter of a million dollars worth of vaccine ordered but not utilized, \$226,600 worth of vaccine ordered and not utilized. What is to become of this? Can it be stored? Will it eventually be dumped? Why was so much of it ordered? Will the programme be resumed or has it now been dropped and forgotten as it has in the United States and certain other provinces of Canada? The minister should give us a report on this. And what about the new dental school for Atlantic Canada? Have any arrangements been reached? I hope the minister is making notes of these questions or am I just standing here and wasting my time? Have any arrangements been reached with the other Atlantic Provinces concerning the amount of contributions from the Government of Newfoundland towards a new dental school for Atlantic Canada?

Mr. Neary:

I would like to get an upgrading on that, Sir.

And, Mr. Chairman, what about the situation regarding the IGA, the International Grenfell Association.

AN HON. MEMBER: What have you got against them now?

MR. NEARY: I do not have anything against them, Sir, but there is a doctor quoted recently in the press as having some criticism for IGA. And I will read the clipping from the newspaper for the benefit of the hon. minister, in case the hon. minister has not seen it. A doctor who once worked for the International Grenfell Association, IGA in Labrador has prepared a report on health facilities in Northern Coastal Labrador which severely criticizes the IGA and also takes the Provincial Government to task.

MR. GOUDIE: A former employee of IGA.

MR. NEARY: Dr. Peter Sarsfield now living in Northwest River says "There are serious health problems in Northwest River and Northern Coastal communities and available health facilities are inadequate to meet. He said the system should be re-organized to place more emphasis on public health. The IGA should give their work on the coast, as an association, Dr. Sarsfield said, since they are just another obstacle between the people and the government. He feels that the people themselves should have control of health facilities on the coast because the IGA and the Province have not been accountable to the people. Dr. Sarsfield prepared his report during the Winter. His purpose was to give voice to the peoples' opinions before new Federal/Provincial financial arrangements are signed. He recommends that the Federal Government should provide funds for immediate health care changes on the coast. The doctor cites Davis Inlet as one of the worst communities on the coast from the point of view of health care, with many signs of community breakdown, violence resulting from poor health care and so on."

These are pretty serious charges, Sir, made by a professional man, a former employee of IGA. I do not know whether they are true or not. I have no way of knowing, but the minister

Mr. Neary:

must know. The minister must have had his officials look into these charges. Are they true? Are they false? Are they partly true? I would like for the minister to tell us and not just get up introducing one of the biggest spending departments in government. Just get up and brush it off in vague general statements. We want more information than that, Sir. Tell us what financial assistance towards capital and operating expenses have been given to the International Grenfell Association in the last fiscal year. And has the International Grenfell Association requested additional funds? If so, give details of such representations and the response made by government towards same.

Mr. Chairman, I believe that the minister should tell us now again, I am going to put the question again for the second time tonight, tell us when we can expect to see the first patients in the Health Sciences Complex, in the Roberts Memorial. We have been trying to find out now for two or three years what is going on in connection with that institution.

Mr. Chairman, also there are a couple of other minor questions I want to ask the minister if we ever get down to an item by item analysis of the minister's estimates, but for the present time, Sir, I think that should hold the hon. gentleman. I hope, Mr. Chairman, that some answers will be forthcoming in connection with a whole raft of questions - and the hon. minister was not in his seat when I asked a lot of these questions.

MR. H. COLLINS: Most of them are on the Order Paper.

MR. NEARY: Most of them are on the Order Paper. That is the whole trouble, Sir, they have been on the Order Paper since February or March and I cannot get any answers.

MR. COLLINS: I will have them all tomorrow morning.

MR. NEARY: The minister will have them all tomorrow morning. Well I hope the minister is not going to put us off now by telling us that the answers to my questions will be forthcoming tomorrow,

MR. NEARY: so let the estimates go on. And, Mr. Chairman, before I take my seat I would like to ask the minister to tell us the situation now regarding nurses in this Province. Do we have an ample supply of nurses at the present time? Are there areas of Newfoundland where it is still difficult to get nurses to go? What about doctors? How is our supply of doctors? Has it been necessary to go overseas in recent years, at great expense, recruiting medical men for this Province? What about the outlining areas, the rural parts of the Province, is it still a problem to get doctors to go into the rural areas of this Province? Are there areas of the Province now that are unprotected as far as medical health care is concerned, especially along the Southwest Coast and Southern Labrador and in the isolated communities? And what about dentists? Do we have an ample supply of dentists at the present time? Are the dentists doing what other professional people are doing and congregating in the urban centres and not going out into the rural areas of this Province serving their apprenticeship like my hon. friend from Exploits (Dr. Twomey) did when the gentleman first came to this Province?

These are some of the questions, Mr. Chairman, that the Minister of Health should straighten out for us. Yes, and what about the denturist legislation? We were told that we are going to get it this session of the House. It has not appeared on the Order Paper yet. Will the minister tell us, are we going to get it before the House adjourns for the Summer recess? Has the legislation been drafted? Is it in the process of being drafted? What is happening to it? Why the delay? Three years ago we were promised the legislation and we have not got it yet.

Mr. Chairman, the minister may have gotten an easy ride with his estimates. I do not know if we got into Health last year did we? We did get into health.

MR. H. COLLINS: Three days.

MR. NEARY: Three days on health last year. Well we are only allowed four hours on health this year but in four hours we can pry a lot of information out of the minister if the minister is prepared to co-operate with the Opposition and give us the information, lay it on the table of the House, tell it as it is. Do not try to back away from responsibility.

So, Mr. Chairman, I will sit back and wait now and see if there are no other members who want to ask any questions, sit back and see if the minister will react to some of the questions that I put to him.

MR. CHAIRMAN: The hon. member for Exploits.

DR. TWOMEY: Mr. Speaker, hon. members of the House, I rise to talk about health, not to offer criticisms but to take suggestions.

I do this with almost thirty years experience in the field of medicine in Newfoundland. I go back to the beginning and I think of how I practiced then and how I practice now. Then we worked with the stethoscope and the scalpel, now that is only a very small part of the practice of medicine as it has changed so dramatically. I see its virtues and its defects. The virtues, I think it is unnecessary for me to sing their praise. For its defects possibly I could offer some suggestions.

I am sure we all realize as do most of our people that health is our problem, each and every one of us. We in the medical field are auxiliaries really. Because without good health habits I think we are going to have increasing morbidity and mortality among our people. You all know once you pick up the daily paper how frequently you hear of sudden deaths in communities, in young people.

When you go to parties in this present day and age you are conscious of the young overweight and sometimes obese individual.

DR. TWOMEY: you might ask yourself why these problems, what is wrong? It is the affluence of our Province, the ready foods, the high carbohydrates, the quick meals. There, in other words it cometh back what is the necessary ingredient to change this trend. And I would say the necessary ingredient is public health. Public health is a wide subject which is very hard to cover in a very brief time. It means first of all education. That has to start in the home long before the child goes to school. Teach them to brush their teeth and other hygienic talents that they acquire sometimes at a young age, then in kindergarden and all the way through. Sometimes if you have a cosmetic public health issue the children would really jump to it. And one of the best examples I can give you in this present time is a child dental care scheme. I can only speak for my own district but they commute by bus from Leading Ticks to the clinic in Botwood which is thirty miles away. They fill a bus to come in in the morning and have dental care. They love that Pepsodent smile that is admired by all their schoolmates and by their grandparents. I am sure there are very few homes in the area that have not got a toothbrush. So here we have one definite fact that health has improved in that particular field.

But we had the gimmicks of a Hollywood producer to do it. Smile for free dental care. Teachers have become very much aware of this. They have organized transportation and almost insisted that some of these children will go to the dental surgeon for dental care.

MR. ROBERTS: Will the hon. gentleman permit a question?

DR. TWOMEY: Of course.

MR. ROBERTS: I am most interested in what he is saying about the dental care. Could he give us his views on the edentulous problem because my understanding--and I would very appreciate the hon gentlemen's advice on it or opinion, is that in many cases too many parents still feel that the idea of dental care is to take the child to the dentist and say, All right doctor if there is

MR. ROBERTS: a bad tooth, take it out please. None of this nonsense of filling it, take it out and I will get me false teeth at age twenty instead of thirty or forty or fifty or eighty.

Is that a point the hon. gentleman is running to.

DR. TWOMEY: It is beginning to change. You will find that in the fifteen, eighteen year old group possibly, but it is getting very rare. I have extracted a lot of teeth in my life when they could be filled.

MR. ROBERTS: The parents are becoming conscious of the need to preserve teeth.

DR. TWOMEY: Parents are becoming conscious, the kids are becoming very conscious.

MR. ROBERTS: Is that Farah Fawcett Majors contribution to us? Farah Fawcett Majors that gorgeous - what is the programme?

SOME HON MEMBERS: Charlie's Angles.

MR. ROBERTS: Charlie's Angles is it? The Pepsodent smile par excellence, Sir.

AN HON. MEMBER: The Pepsodent smile.

DR. TWOMEY: This is one of the best examples. We have all been aware of epidemics in our Province. The news media cry out "instant action," clinics are set up everywhere for toxiding or immunization. Everyone is rushing. Prior to that there are clinics weekly in most communities or every two weeks or every four weeks depending where they are situated. A large number of parents will not bring their kids for these preventative medicine procedures. You can look over the years, and I am sure the Leader of the Opposition can well remember the incidence of infectious diseases only a few years ago when he was Minister of Health, and today. That is what toxiding and immunization has done.

MR. ROBERTS: When the hon. member began practice diphtheria and strep throats and whooping cough killed. How long has it been

MR. ROBERTS: since we have had a diphtheria death in this Province?

DR. TWOMEY: My first year in Botwood in 1949 there were either nine or twelve deaths from diphtheria in Bishop Falls.

MR. ROBERTS: And they tell me the young people - my brother has been three or four years qualified and he tells me he has never seen a diphtheria case.

DR. TWOMEY: There are a large number of practitioners who have never seen diphtheria in their lives except in a picture.

MR. ROBERTS: But it was a killer when the hon. gentleman started. Child mortality.

MR. MURPHY: That is because of the use of needles and that.

MR. ROBERTS: Oh yes the quad and the triads have done a - but people now are not that conscious, many of them will not - is that correct -

DR. TWOMEY: That is correct.

MR. ROBERTS: - mothers now will not bring their children for these needles.

DR. TWOMEY: That is correct.

Mr. Roberts.

I do not mean to interrupt the hon. member.

DR. TWOMEY: No, that is fine.

In public health and a few other things, I think we all read in the paper today that we have a very high incident of carcinoma of the cervix. This is preventable to a degree .

MR. ROBERTS: With the pap test.

DR. TWOMEY: The pap test.

MR. ROBERTS: I have seen arguments either way that pap tests are worth it and pap tests are not .

DR. TWOMEY: I would say the way I have read it at the moment that they are of value. There is absolutely no doubt as a screening procedure. You will often hear - or you will hear occasionally of one pap test that was reported negative at a particular time -

MR. ROBERTS: I do not mind that.

MR. TWOMEY: But I would strongly -

MR. ROBERTS: We all know the case of the fellow who had the complete cardiac examination down at, you know, the specialist office, and dropped dead of a cardiac arrest on the doorstep.

MR. TWOMEY: That is true.

MR. ROBERTS: That happens, too.

MR. TWOMEY: I feel that this is a very important public health measure. It is readily available practically in every community that a doctor or a nurse resides in in Newfoundland. At present I please they are asking the people of Clarenville to participate in a survey for the purpose of starting a major programme in Newfoundland - but I should say restarting, because it has been here quite a number of years now. Other things in public health, high blood pressure is a killer, How often do people go for years and years and never drop in just

DR. TWOMEY:

to have their blood pressure checked. It is a very simple check, and it can be done by the physician, the nurse, the nursing assistant frequently.

I mentioned about obesity. The Leader of the Opposition spoke about smoking and alcohol. I think we all realize the dangers of that. I have nothing to add to what he has already said.

Physical exercise: This again, you have all seen the comparison on television of how we compare with a Swede of fifty-five. Does anyone remember? Twenty-five was it or fifty-five? This is terribly important. How many of us can run a half a mile now? How many of us can climb a small mountain or swim a hundred yards in a pool without flopping down afterwards? This I think is very important. Our schools are geared to the major type of sport, hockey, and baseball and soccer. They do not encourage walking. They do not encourage just the ordinary physical exercise in a gym every day. It is improving, but I think there is a lot to be done in that particular field. How many of our wives will get in the car rather than walk 200 yards down the corner drugstore to buy a small package of merchandise.

There are other things that we can do in saving or reducing the health care costs. As many of you are aware, many of the hospitals in the Province or the cottage hospitals have many empty beds because of the development of the regional health hospitals. Their occupancy rate is low. They are still necessary for the communities, but the regional hospital is slackening off the cases that were previously done in these institutions. Sir, I think in most cases the trend of the occupancy rate is going to go down rather than go up. Now we have these institutions. We have a lot of modern facilities in these institutions

Dr. Twomey.

We have extremely skilled staff in these institutions. The nurses have been there for years and years and had a wide experience in all types of nursing, all the fields, and they are very knowledgeable and very capable in these fields. So we have these hospitals. I think we should give some thought maybe to using them for convalescent care, in the caring of patients back from the central or regional hospitals, maybe for some of the geriatric problems that need continuing medical care. I think they should be admitted. These are the ones as well as treating the acute cases in these hospitals at a very low cost, very, very low. These hospitals could be changed to do that particular service.

Am I going over my time. I am sorry

Dr. Twomey: Home Nursing Services - this will undoubtedly reduce the demand for beds in those hospitals and many of the nursing homes and the old age people's homes. If the nurse can go in daily or maybe twice a day they can save a bed, an expensive bed in a large hospital, because we have not got enough small nursing homes or regional hospitals to look after a large number of these patients. A very simple example, very frequently where we have to admit an individual who has a skin condition, and the treatment of this is not complicated to the professional, but to the patient it is a very complicated procedure. They might have to put on special ointment or cream or lotion, they might have to put a saran wrap over that to put it on in a certain way and bandage it. They usually do not follow the instructions and the rash does not improve. So they come back "Here I am I am worse." So they are admitted just for dressings to many of these hospitals, the regional hospitals, I should' say, or the cottage hospitals. They occupy a bed and it is costing money. That is one of the very simple ones.

Again I think we should place more emphasis on doing minor surgery in the out-patients of the hospitals. There is a lot of convenience to the patient and to the doctor and maybe to the family to bring the patient in overnight for a procedure that can be done on the out-patient basis and done safely.

Again I think that I have a feeling that hospitals are a bit over-utilized for the investigation of certain diseases where these could be done in the out-patients services, the x-ray department, laboratory and the other ancillary departments in most of the hospitals. This could save, I think, a tremendous amount of money and we should be able to spread out the day to utilize the facilities of the operating room, not from eight o'clock in the morning until twelve, one, two in the afternoon, it should be until four or six in the afternoon. And I think this should be a principle in many of our hospitals.

DR. TWOMEY: The ambulance services have been growing at an alarming rate. I believe when the government first introduced the service, the cost was estimated at around \$80,000. I now believe that this has escalated to \$400,000. How is this over-use coming about? It is usually cheaper to travel by ambulance than to travel in one's own car. These are facts of life. The ambulance trip is subsidized, your car trip is not. So this is black and white.

MR. MURPHY: Excuse me doctor under the present arrangement, it is not actually cheaper but under the present arrangement the subsidy is more beneficial they find, I would say.

DR. TWOMEY: I think the ambulance service is over-utilized. We as doctors share the responsibility with the patients. We are caught in a bind as physicians we are under public pressure, if we refuse. A simple example, if someone who has a little bladder trouble phoned in as an acute emergency, or their relatives did, and it did not sound like that over the phone, and I suggested perhaps that you bring him in in your car, I do not have a car. Well have you not got something? Have you not got a truck? Yes I have. Well I am not to put him in a truck. But he is dying. The ambulance did not go. Two weeks time they rang again, he was still dying, the ambulance brought him in this time. He walked out and shook hands with everyone in the parking area. He spent maybe half an hour in the hospital and we had to have the ambulance to send him back. That is one of the very simple ones. But this has happened many, many times, The abuse is there.

DR. TWOMEY: We are given the responsibility as physicians to call the ambulance in most places, all we can do is take the patient's word. I do not know how you can make rules and regulations to change it but I think we have to give some consideration.

MR. MURPHY: 'Dr.' these ambulances will be private operators rather than owned by a hospital or something like that.

DR. TWOMEY: Well most of them are private operators now, service clubs or something else like that.

I leave it at that for the moment, and if I could I would like to come back again before this debate is over.

MR. CHAIRMAN: The hon. member for Mount Scio.

DR. WINSOR: Mr. Chairman, I just have a few remarks I would like to make on three particular topics pertaining to health. One, of course, is the dental health programme. I have worked under particular programme now for twenty-one years and it is very gratifying to see at this point we are now at the stage where last year I think we treated around 47,000 of our Newfoundland children and this is equivalent to about fifty-five per cent of the total population in that age group of treatables up to age eleven.

Now we have 105 dentists, this is increasing daily. That may be an inaccurate figure. We may have 600 and 700 at this particular point. But this represents 120 per cent increase in the past five years. And this year alone we have had an increase of somewhere between fifteen and twenty dentists. So I think our recruitment programme is certainly showing its fruit.

Under this programme over the years many of us have stressed, our executive of the Dental Association, we have made approaches to government to have better monitoring of that

DR. WINSOR: particular programme. One thing, I think, is certainly now evident that we do need a better control certainly from the financial point of view. But there is one thing that I would like to stress tonight and that is that in my years at the Janeway Hospital where we saw kids coming in from all over the Island and Labrador, that I feel that if government is instituting a monitoring programme, which I think is long overdue in that particular programme, that they should also institute a quality control. I think this is very important particularly when one is dealing with children.

The other short point I would like to make and certainly ask a question of the minister, is in the radiological area. I have again using my own experience, been in practice for twenty-one years I have gone through I think four x-ray machines. I have never seen anyone, nobody has ever come into my office to check on the state of that machine or the way that it was installed and so on. And, in fact, it is really left up to the discretion of the operator when he feels the machine is getting in a dangerous condition or has outlived its usefulness and I would certainly like to see our department increase its policing of x-ray machines in the Province and this applies not just to dental offices, of course, but to x-rays that are used in industry and in hospitals.

And again I would like to stress that I do not mean any danger from the point of view of a treatment procedure when it is done with a machine in good condition. This is not what I am talking about. I am talking about a defective machine and this is something I think that we should watch very carefully because sometimes they are not installed correctly or there is damage done in transshipment from - usually they are made in the United States, and they have to be very, very carefully operated.

DR. WINSOR: The other point I would like to ask the minister is about - is the department giving any thought to some sort of continuing education programme for doctors and dentists, or in fact any professional group.

It has always been a source of amazement to me that a person can graduate twenty, thirty years ago and be let loose on the public and there is no way he can

DR. WINSOR: can continue without ever taking a continuing education course at university, listening to cassette tapes which are available, or text books and so forth. I feel that every five years every physician and every dentist should show evidence of taking some sort of continuing education, a programme which could be run in conjunction with the university, or acquiring credits by subscribing to Dentifacts or Medifacts cassette tapes which, as I say, are available today and are excellent. So I would ask the minister when he makes his remarks to give me his opinion on those three particular points.

MR. CHAIRMAN: The hon. the member for Terra Nova.

MR. LUSH: Mr. Chairman, I first of all want to say how delighted I was with the two last speeches by the hon. the member for Exploits (Dr. Twomey) and the hon. the member for Mount Scio (Dr. Winsor). It is a bit of a change to hear people talking about non-fiscal matters, matters not relating to money. I have, for many months now, felt that in a time of austerity, in a time of fiscal restrictions that there are many things that we can do all around us in medicine, health, education, so many things that are not related to money. Obviously the major point in the people's House, the major issue of debate has to be fiscal matters, but I think there are other matters, the direction in which various departments are moving, the kinds of philosophies that we should be pursuing, and it was for that reason it was refreshing to hear these members talk of these matters.

I think it was 'Dr. Twomey' who referred to the operations being done in the clinic - was it? I believe that is what he said, in the doctor's clinic.

MR. ROBERTS: In the out-patient departments.

MR. LUSH:

Right! Right!

I certainly must support him on that point. The hon. members will probably be interested to know that about two months ago I went to the doctor with something the matter with my foot. I could not walk too well. I went around for two months like that. I went to the doctor and I was referred to come to the Grace Hospital, I think it was about a week after that and minor surgery was performed. Anyway, during that appointment with the doctor he found out - I thought I was perfectly well excepting that little minor defect in the foot but I found out that I had five other appointments to go and see five other doctors in the day. Actually, I do not know what I had wrong with me, I have never heard of it before, a planter's wart on the foot. I had that removed. The last doctor I went to today was a fellow to look at - I do not know what they call them, skin specialists or something. Two months ago I had the planter's wart removed from my foot, went back to this fellow today who specializes in skin diseases to find out that I still have five other planter warts for which I have to go back again, and go back to the out-patients again. So it is an awful nuisance. So I can certainly support the doctor on that sort of suggestion.

Certainly again, the hon. the member for Mount Scio (Dr. Winsor) mentioned continuing education. That is important in every profession, that there be some means of continuing education so that doctors, dentists and the like can get together and be kept abreast on new developments in their field, the same as in education.

Having said that now I just want to refer to one fiscal matter and that is the Clarendville Hospital because that affects a large part

MR. LUSH: of my district, just about half my district, all of the area around Goose Bay. I do not if hon. members are familiar with that. I think some times when I am talking about Goose Bay that probably the member for Naskaupie (Mr. Goudie) probably thinks I am referring to Goose Bay over there, but I am not. There is a Goose Bay in my district. It is a part of Bonavista Bay and around it are Canning's Cove, Musgrave-town, Lethbridge, right around the Bay to Jamestown. That is referred to as the Goose Bay area locally. So that part of the district, that is around the Goose Bay Area, would benefit from this hospital. They want to see that hospital constructed as much as the people in Clarenville because the closest hospital to them - and I do not know what the terminology is - is Come by Chance which is not a full-fledged hospital. I do not know what it is called, or is it?

MR. H. COLLINS: Come by Chance is a cottage hospital.

MR. LUSH: Yes, right. So that would be the only facility to them

MR. LUSH: East and then West it is Gander. So these people, they are quite concerned about the Clarenville Hospital and like all the people in that area, and in other areas such as Grand Falls and Burin, they are like these people frustrated and concerned and wondering what time they can expect that hospital. Certainly somebody should be able to give the people some time frame. We are told that it is deferred, deferred to when? How long? Do we know that or do we just keep telling the people they can look forward again to next year? Or is there some time frame that we can come up with and say, The people in Burin get theirs next year or the year after. It will be the people in Clarenville - some time frame if that is possible. But to keep on going and promising it year after year is certainly most frustrating.

The other point I want to comment on is the ambulance service. And Mr. Chairman, the ambulance service is certainly a vast improvement over what it was. Like so many things in Newfoundland, it is all a vast improvement over what it was. But the point is we have arrived at a point in the ambulance service now where I think it is time for regulations, time for some type of control.

If I understand the rules properly it seems to me that anybody can enter into the ambulance service. There are no restrictions. There are no rules and regulations with respect to the type of machine, the type of vehicle a person must have.

MR. NEARY: Nobody looked after it properly.

MR. LUSH: It seems to me that you can almost enter into the ambulance service with a pick-up, you know, there seems to be no regulations at all.

MR. NEARY: You can use a hearse for an ambulance.

MR. LUSH: Right. Or just a station wagon, just a simple station wagon with the back seat out. You know that is the - I have seen them and all they have got on them is a siren. You

MR. LUSH: know they look exactly like the station wagon that I drive.

So there seems to be no regulation as to whether a person has to have a proper ambulance that is properly equipped. I am sure that there are ambulances in the service that are not properly equipped with whatever lifesaving equipment that is supposed to be aboard these ambulances, or equipment and materials for first aid treatment, nothing in them at all. And there are no regulations to state that these things are supposed to be there as to the material that is supposed to be in them, the equipment that is supposed to be in them and the kind of a machine that a person is supposed to put into this service. There is no regulation at all and if there are any regulations there is certainly no surveillance, there is certainly no inspection.

I know a person who operates one, been doing it for two years and he has told me that no one has come to see him. There has been no inspection to see what he has got in it. So certainly there needs to be something done to make this service a more comfortable and a more safe and a more convenient service for the people who use them.

And the other point is the drivers, Mr. Chairman. I do not think the drivers have to have any training other than just having a driver's licence. That is it. They have to take no safety driving course. If a person has a driver's licence then he qualifies to drive an ambulance. Now certainly we have got to bring in some sort of rules for these people who are rushing people who are sick to hospitals, weaving and meandering through traffic, certainly they should have some course in safe driving.

And I further say they should have some paramedical training. Now some people, I am not talking about a real sophisticated course

MR. LUSH: but some sort of course in paramedical training that teaches these people how to deal with people, with let us say, for example, a person who is taken from an accident. And I have been told of cases where doctors put a patient in an ambulance and told the driver to tell that patient not to move because of the peculiarity of the accident, or the seriousness of it. The person was not supposed to move and half way along to St. John's the patient asked the driver could he turn over or something and the ambulance driver said, "Fine." Because he was not aware of the seriousness of the injury.

So there must be some sort of course in paramedical training. It does not have to be a sophisticated one. But there must be some course where at least drivers know the basics of first aid and what

Mr. Lush.

the seriousnesses of certain injuries and this sort of thing and be able to follow the instructions of doctors. And this is fine when a nurse will attend or will accompany a driver, but I am told that there are many times when that cannot be arranged when the driver got to take the patient alone. And so again for the safety and for the comfortable conveyance of people to hospitals I think that the drivers should be trained. They should have a course in safe driving, and they should also have some sort of para-medical training. I think also that it is incumbent upon the government to regulate ambulances according to areas. Now at one time this was not necessary, because there were so few ambulances around, but what is happening now is that people are looking at this as a lucrative business, you know, getting into the ambulance business. And what you are doing is getting three and four people coming into the one area where it is not economically viable to carry on that sort of services. So, therefore, to spread out the service you would think by asking for these regulations you got an ambulance in every area, but you do not. What is happening in some of the larger areas, which is only large enough for one ambulance, you are getting two and three and three and four people setting up these into service. And I think it is incumbent upon the government to certainly allow these people into the service, but to spread them out to say, this person works in this area or another person works in another area. Otherwise what is going to happen is that the business is not big enough to sustain any more than one. It is a doggy-dog cut-throat business. The next thing you are going to have no ambulance service there at all. Where you once had a good service, now you are not going to have any service. And you cannot treat this the same as private enterprise, because we all know that the government subsidizes the ambulance service pretty heavily. I do not know

Mr. Lush.

what the rate is, but it is a pretty heavy subsidy. There would not be any money into the ambulance business at all if you just had to depend on what you got from the patient. It is what the government pays that makes this lucrative. So since the government is investing the taxpayers' dollars into this ambulance service, I think it is incumbent upon them to make it as safe as possible, as comfortable as possible and certainly to ensure as much as possible the economic viability of the ambulance service. And some people might argue that you know, to almost - what I am saying - to give it a franchise that there is the great possibility that you remove the effectiveness of the service. But this need not be. And what I am suggesting is that I think the ambulance service should come under the Motor Carriers Act. This is with trucking, with taxis, this sort of a thing. Anybody then who wants to set up an ambulance service he applies to the Public Utilities Board, the same as a person who wanted to get into trucking or a person who wanted to get into the taxi business, it is now controlled.

And it is the PUB or some such board can make sure that you have got a good safe service. I think this is most important, Mr. Chairman, that the government look into these aspects of the ambulance service, bring in regulations, to make sure that the drivers of these ambulances are good drivers, that there be some sort of para-medical training, and that there be regulations respecting the kind of vehicles that can be used in the ambulance service, that they be proper ambulances, that they be properly equipped and lastly that the thing be regulated, the ambulance business be regulated according to areas so that you do not have too many people in there with the end result being with this sort of doggy-dog business. It becomes very ineffective. And it is wasting -

MR. MURPHY: Are ambulances bought on tender or what?
How is it shaped up? Are there tender calls for an ambulance?

MR. LUSH: No, no, I think what should happen, if I understand the minister right, what I think should happen is that it should be put under the Motor Carrier Act of this Province, and under that comes I do not know how many things, but taxis, for example - what do we call those trucking? -

SOME HON. MEMBERS: Transports.

MR. LUSH: - transport trucks, right, and it is there to protect the investment of the person who will make a business out of it, because some areas are not big enough to support three transport trucks so the person makes an application to the PUB, to the Public Utilities Board, and they determine the economic base and determine whether or not another transport truck can come in there. I am saying the same thing about the ambulance service, because what I am saying is that as long as it is open

Mr. Lush.

As long as it is open that people are beginning to think it is a good business. This is the way it is. They are not looking at it as a service. They are looking at it as a good business so you are getting four or five people coming eventually you are going to have nobody or either that it is going to be a big guy. That is going to operate from St. John's, that is going to, you know, be spread all over the place and the service is going to become ineffective. So with these few points I will sit down. Thank you.

CAPT. WINSOR: Mr. Chairman, do you want to call it eleven o'clock?

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

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

MR. SPEAKER: The hon. Chairman.

MR. CHAIRMAN: Mr. Speaker, the Committee of Supply have considered the matters to them referred and have directed me to report having passed estimates of expenditure under the following headings: No. I Consolidated Fund Services; No. II Legislative; No. IV Finance, all items without amendments and report having made further progress and ask leave to sit again.

MR. SPEAKER: The Chairman of the Committee reports that they have considered the matters to them referred and have passed headings of expenditure, I, II and IV, all items without amendment, have made further progress and ask leave to sit again.

On motion report received and adopted.

On motion Committee ordered to sit again on tomorrow.

Do hon. members wish to call it eleven o'clock? Agreed.

It now being eleven o'clock I must point to hon. members two matters. Standing Order (8) first directs what I am to do at eleven o'clock unless the closure rule is in

MR. SPEAKER:

operation: Mr. Speaker shall adjourn the House without question put. However, before doing that hon. members presumably will want to know - because all the Speaker does is adjourn the House - hon. members, all of us, will want to know what time we are coming back tomorrow. And Standing Order (2) says: The time for the meeting of the House is three o'clock. So before complying with Standing Order (8), we shall all need to know whether the Standing Order (2) is to be operative or whether there has been agreement for a different hour of meeting tomorrow. So I think we will all need to know that before I comply with Standing Order (8).

MR. PECKFORD: Mr. Speaker -

MR. SPEAKER: The hon. minister.

MR. PECKFORD: Mr. Speaker, I am hopeful that we can have the same co-operative spirit that permeated this House since this morning at ten o'clock. I, therefore, ask the very co-operative member for LaPoile (Mr. Neary) to once again show his chivalry so that we can sit at ten o'clock tomorrow morning.

MR. NEARY: No, Mr. Speaker, I am not going to - if the hon. gentleman needs my consent - I am not going to give it, because this morning I warned the hon. gentleman to have his thirty-four members in this hon. House - or have thirty-four members in the House so we could change the rules if we are going to change them. Let us not fool around with it, Sir. They cannot get their members in, and I would say we will meet tomorrow afternoon at three o'clock, the regular time.

MR. PECKFORD: Mr. Speaker, I move that the House at its rising do adjourn until ten o'clock tomorrow morning.

MR. ROBERTS: Mr. Speaker, to a point of order. I submit that that motion is not in order, Sir. The Standing Orders of this House

Mr. Roberts.

say that the House adjourns - the House, I am sorry, meets at three of the clock, that is Standing Order (2). The House of Assembly Act of this Province, a statute, Sir, not a Standing Order, the statute says, that it requires two-thirds of the members of the House of Assembly to approve a change in Standing Orders, Sir. I would submit that the time of the meeting is qualitatively different from the adjournment. I will argue that point if Your Honour wishes a submission on it. Sir, I submit that while a motion to adjourn is in order at any time, a motion to sit at an hour different than Standing Orders requires either unanimous consent or a change in the Standing Orders, Sir, and I think accordingly the motion moved by the member for Green Bay, the Minister of Mines and Energy, is not in order.

MR. MURPHY: It is if it is adopted unanimously.

MR. SPEAKER: Order, please!

Standing Order (8) is immediately applicable and it says: The Speaker shall adjourn the House without question put. That means without a motion. The Speaker is obliged to adjourn the House. The reason I brought the matter up is that in order before so doing hon. members would know what time we would be here tomorrow. The hon. gentleman to my left has asked for unanimous consent that Standing Order (2) not apply, and it is my understanding he has not received that consent. The Standing Orders have not been amended in the required manner, two-thirds of the members of the House of Assembly being present, so a difference in the Standing Order can only operate by unanimous consent, and I understand there is not unanimous consent. So with respect to the time that hon. members will be back tomorrow Standing Order (2) is operative.

It being eleven o'clock I now adjourn the House until tomorrow Tuesday.

This House stands adjourned until tomorrow Tuesday at 3:00 P.M.