

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
3:00 p.m. - 6:00 p.m.  
THURSDAY, AUGUST 16, 1979

The House met at 3:00 p.m.

Mr. Speaker in the Chair.

MR. SPEAKER: (Simms)

Order, please!

The hon. President of the Council.

MR. W. MARSHALL:

Mr. Speaker, I rise with a motion that I know all members of this hon. House will wish to join in and indeed all Newfoundlanders would join with their fellow Canadians in expressing their regret of the people of Newfoundland at the passing of thirteenth Prime Minister of Canada, the right hon. John Diefenbaker.

As is customary when matters of this nature come up, there is a support staff that prepare certain information. But, of course, with the right hon. gentleman, Mr. Diefenbaker, I do not think any Canadian really needs to be appraised for the contribution that he has made to this nation and to this Province.

As I said, the thirteenth Prime Minister of Canada, the second Prime Minister since Newfoundland entered into Confederation. He was a Canadian Patriot with very direct views about the direction in which the country should go, a friend of Newfoundland, the Prime Minister from 1957 to 1963. But I think it can be said mostly about him that he is to Canadian parliamentary history in the twentieth century what Sir John A. Macdonald was to Canadian parliamentary history in the nineteenth century.

Indeed, it is very difficult for us to imagine how the House of Parliament, or for that matter the nation of Canada what type of characteristic it will have because his personality and his presence was very much felt in the House of Parliament in Canada throughout the many years that he represented it.

MR. W. MARSHALL: We have directed, of course, that the flags on public buildings remain at half mast until the funeral is over, and I know that that will be a reminder to the citizens of Newfoundland, a very vivid reminder to the citizens of Newfoundland of the great contribution that this great Canadian made to our nation and to this Province.

So I move, and I know all hon. members opposite as well as all hon. members here, and, as I say, all of Newfoundland will join in a motion to the effect of expressing sympathy over the death of this great Canadian gentleman and patriot.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER: (Simms) The hon. Leader of the Opposition.

MR. D. JAMIESON: Mr. Speaker, Canada is a slightly smaller place today. I believe, in looking about me, that I am the only member present in the Chamber, at least at this moment, who can claim a twenty-five year friendship with the late John George Deifenbaker.

It is difficult for me to describe the emotion that I feel at this moment

MR. D. JAMIESON: because I do not know of a man whom I had on many instances more profound disagreements. He and I were intellectually very much at odds on many issues, but the man taught me a lesson that I believe all of us in public life should learn and adhere to and that is that where matters of high public concern are involved it is not only entirely possible but it is much to be desired that men can differ without losing their respect for each other or without, indeed, having a lack of respect for a point of view with which they do in fact take exception.

I do not want today to join the thousands who will be talking about John Diefenbaker the **statesman, the Prince Minister** although I will say a word or two on that score, but I want mostly in joining this party with the motion to talk about John Diefenbaker the friend. I remember on the first occasion on which I met him and I remember the kindness he showed to me and how that, and I do not think it is too large a word, blossomed into a mutual respect. When he was Prime Minister he would frequently request that I be the person to interview him mostly because he knew that I fundamentally disagreed with some of the things that he wanted to say and he enjoyed the cut and thrust and the parry of having someone doing the interviewing who he felt in a sense brought out the best in him and forced him that extra inch or mile in terms of declaring his point of view.

Later as we sat opposite each other for many years in the House of Commons, I do not recall a single instance where he did not out of courtesy either send me a note or phone me if he proposed to ask a question, if he intended to attack, or to give me a general indication of what his standpoint was going to be. I remember seeing him shortly after I entered the House of Commons and, as I said in a radio interview this morning, he said to me, "You will be a very wise man if you do not open your mouth for the first year you are in this place because it will take you that long

MR. JAMIESON:

to learn the ropes." I took his advice and it was the great honour that I had at the end of the Centennial session Throne Speech to move the Address-in-Reply- and that was, of course, a great many years ago now - and the first person to cross the aisle and subsequently to send me a note which I retain and cherish, was Diefenbaker. Over the years I have also, of course, in addition to what I have described as our profound disagreements on certain ideological matters, have found myself very much on his side. And he and I as recently as a few months ago became very deeply involved in matters concerned with the Middle East, and I remember once again, and Hansard in Ottawa will record this, that he was so upset because one member on his own side had misunderstood the agreement that he and I had reached with regard to that particular issue that he rose on a question of privilege to put the record straight so that there would be no embarrassment to me.

There is much more I could say about this splendid Canadian. He is a constant reminder to us all, I think, of two things which we in public life ought to bear in mind; one is the decency and the civility to which I have referred, but something else is that none of us is immortal and that none of us should have any illusions that we are going to leave some profound mark on the face of the earth, that we must plod on, do what we can, the best we can for the people who sent us here or to any other Legislature, and that we must understand and recognize that there will always be those moments of exultation in public life, which he enjoyed, and there will also be those moments of deep despair which I fear that none of us is spared from time to time whether we are in public life or not.

My last encounter with 'the Chief,' as I called him, and indeed as virtually all members of Parliament called him, was at his last birthday party. I may tell you that he knew then that his days were numbered. His greatest objective was to win one more election and he also wanted, because I had been there recently, to hear what I had to say about China, which he wished also to visit. Faith intervened

MR. JAMIESON: and he has not been able to make that particular trip. But in China, as in most other countries of the world, as well as within Canada, those who knew him as a friend, as I did, I feel I am certain in saying, will join with us today in mourning the passing of a great Canadian and in reminding ourselves about the great satisfactions and rewards of public service.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: Very well said, Sir.

MR. SPEAKER (SIMMS): Is it the pleasure of the House to adopt the said motion? Those in favour "Aye".

SOME HON. MEMBERS: "Aye".

MR. SPEAKER: Contrary "Nay".  
Carried.

ORAL QUESTIONS

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

MR. JAMIESON: Mr. Speaker, I have a question for the Government House Leader (Mr. Marshall) arising from the reports on the Premiers' Conference. Is the President of the Privy Council in a position to say whether or not a Newfoundland position vis-a-vis the Ontario energy paper has been prepared, or is the Premier merely in a sense holding a watching brief on what is now clearly a very strong difference of view between the Premiers of Alberta and Ontario with regard to the increase in energy, and particularly oil prices?

MR. SPEAKER: The hon. the President of the Council.

MR. MARSHALL: Well, Mr. Speaker, I think the position of the government vis-a-vis the sharing of the energy resources in the Canadian nation is fairly well-known. But I would think that I would prefer to take notice of the question because I think, as hon. members will understand, the Premier is up there now engaged on behalf of the people in Newfoundland and there are certain things that are fast developing and fast acting so I would prefer to take notice of the question and after conference with the Premier on the matter, and when the Premier comes back he will certainly make the position well-known if he does not nationally.

MR. JAMIESON: A supplementary.

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

MR. JAMIESON: Well, I would understand and expect that the Premier would make a statement upon his return. What I am asking the President of the Privy Council is whether or not there is a government position paper which the Premier is taking or has taken to that conference?

Mr. Jamieson: The two points of view were known in advance, the Ontario publication of their document, plus the statements by Premier Lougheed of Alberta. What I am asking is, is there a position which the Newfoundland Government has taken? Specifically, does it side with Ontario or does it with Alberta? And that makes one whole of a difference in terms of consumer spending or cost

MR. SPEAKER (SIMMS): The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, the government has been aware of the situation and has studied the situation very carefully, studied the situation as it appeared with respect to the briefs that were circulated beforehand, but because the briefs themselves contained really the bare bones of the situation and the flesh is really going to be put on it while it is under consideration, I would prefer, so that there is no misunderstanding, that we await, as I say, the Premier's return or consultation with the Premier himself so that there will be no misunderstanding as to the position of the government. What really I am saying, Mr. Speaker, is that the government of course has a position on these



MR. MARSHALL: the position on these matters but it would prefer and we would prefer to await the Premier's return so that he can answer that particular question.

MR. JAMIESON: A supplementary.

MR. SPEAKER: (Simms) A supplementary. The hon. the Leader of the Opposition.

MR. JAMIESON: Mr. Speaker, I will try once more. Some days ago in the House the Minister of Mines and Energy (Mr. Barry) confirmed that he agreed with the position taken at Tokyo by the heads of government that Canadian prices would have to rise to world prices as fast as possible. I believe the record will show - I may be paraphrasing - basically that that is the position. Now that is the attitude, of course, that is taken by the government of Alberta. I ask the President of the Privy Council whether the attitude going to be taken by the Premier reflects that of his own Minister of Energy and Mines (Mr. Barry), namely, that prices have to rise more rapidly than have been previously contemplated?

MR. SPEAKER: The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, the hon. the Minister of Mines and Energy (Mr. Barry) when he speaks on matters of energy speaks for the government and he enunciated the policy of the government, but as with all positions taken by the government from time to time they are always subject to hearing other sides and other positions. And insofar as that particular statement made by the Minister of Mines and Energy (Mr. Barry) may have altered, if at all, as a result of what has transpired at that conference, I am not prepared to say at this particular time, not being at the conference itself and not having had the benefit of discussion of the same with the first minister of this Province and the other ministers that are there including the Minister of Mines and Energy (Mr. Barry). But undoubtedly our position will be quite clearly known and publicly known at the appropriate time.

MR. SPEAKER: (Simms)

The hon. member for LaPoile followed by the hon. member for Eagle River.

MR. NEARY:

I want to put my question to the President of the Council, the Deputy Premier, in the absence of the Premier or the Minister of Justice. Would the hon. gentleman tell the House if the government is concerned about the ever increasing vandalism and crime in this Province, crime involving violence, armed robberies and the like, and what steps the government are going to take to come to grips with this increasing problem in the Province?

MR. SPEAKER:

The hon. President of the Council.

MR. MARSHALL:

I may first, before getting to the meat of the hon. member's question, I would like to point out for the record there is no such a creature, if that would be the description of it, as a Deputy Premier. There is one person, the first minister, and it would be inconsistent to have such an official, in our view, as a Deputy Premier as such. But I take the opportunity to answer the question, though, posed to me as President of the Council. The government of course is extremely concerned with vandalism, with any actions taken against the laws of this Province, and is always diligently working through the Department of Justice and the other departments to see exactly what can be done to curb same. But I do not know if that answers in a general way a general question, but if the hon. member wishes to be more specific and put specific instances to me I will be only too happy

MR. MARSHALL: to respond to them if, in fact,  
I can right now; otherwise, I will take notice of them.

MR. NEARY: Mr. Speaker, a supplementary.

MR. SPEAKER: (Simms) A supplementary, the hon. the member  
for LaPoile.

MR. NEARY: In view of the fact that most of this  
crime is taking place in the greater St. John's area, would the hon.  
gentleman indicate if the government is intending to set up precincts in  
the city of St. John's as they have in other cities throughout North America,  
you know, deploy the Newfoundland Constabulary in various precincts  
throughout the city? Does the government have this in mind?

MR. SPEAKER: The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, that is a suggestion that  
has been made from time to time. It is one that is under active consideration.  
Just how effective the setting up of precincts would be is a matter that has  
to be determined. I would not wish to say that we have come to a definite  
decision to this end, but I would say it is one of the things that can be  
considered in our constant effort that has been over a period of time to  
curb lawlessness, whether in the city of St. John's or elsewhere in the  
Province.

MR. NEARY: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary, the hon. the member  
for LaPoile.

MR. NEARY: As the hon. gentleman and members are  
aware, teen-age drinking has come in for considerable publicity recently,  
especially in view of the fact that one mother had to go down and take her  
daughter out of a tavern downtown. Would the hon. gentleman indicate what  
steps are being taken to cope with this problem which seems to be growing  
practically daily, the problem of teen-age drinking in the Province?

MR. SPEAKER: The hon. the President of the Council.

MR. MARSHALL: I do not know if the government can,  
Mr. Speaker, curb teen-age drinking, but I would state to the House that  
we consider incidents of under-age drinking in liquor establishments to be

MR. MARSHALL: extremely serious. It is a matter of some great concern to us, particularly in the city of St. John's where it appears to be more abundant than in other instances. And all we can say is that there are constant standing instructions to the authorities to maintain a strict vigilance on these institutions and to take such steps as the law allows with respect to closure of the institutions themselves if they find that infringements occur.

MR. NEARY: Mr. Speaker, a final supplementary.

MR. SPEAKER: (Simms) A final supplementary, the hon. the member for LaPoile.

MR. NEARY: Mr. Speaker, I would like to ask the hon. gentleman if he could be a little more specific in telling us what these measures are that are used in trying to come to grips with the problem of under-age drinking? I would like for the minister to specifically tell us how they avoid harassing other teen-agers who are of the age of drinking. Can the laws be enforced to identify the under-age drinking problem and at the same time not harass those who are entitled to visit these public places?

MR. SPEAKER: The hon. the President of the Council.

MR. MARSHALL: That is a very difficult question to answer, Mr. Speaker. I mean, I can only give general answers to general questions and

MR. W. MARSHALL: the situation is that an inspector will go in, he will make inquiries, if there appears to be somebody under the age he will make the necessary inquiry for identification. If it happens to be that that person is older in years than he or she appears to be in person, there is nothing really that he can do about it. I mean, you cannot just draw a line and give an inspector a penalty because he happened in the course of an investigation to have asked somebody whether he or she is old enough to be in a tavern and he finds out afterwards that, in fact, that person is.

MR. SPEAKER: (SIMMS) The hon. member for Eagle River.

MR. E. HISCOCK: I wanted to direct my question towards the Minister of Municipal Affairs and Housing (Mr. Windsor) and also the Minister of Transportation and Communications (Mr. Brett). The Premier made a statement last Friday at Goose Bay that the first phase for water and sewerage for \$900,000 the tenders would not be called until late Fall and work would begin next year. The Premier had sent a telegram during the election that \$2.5 million was available for the first phase of water and sewerage for the road and for the air strip at Cartwright. I brought this matter to the attention of the House just after the House convened, and if I am correct Hansard will probably also show when I directed the question towards the Minister of Municipal Affairs and Housing he stated that as soon as possible the work would begin. It was not a matter of the engineering not being completed as soon as possible, by the minister giving the impression that work would begin this year. I would like to ask the minister now are tenders going to be called in the late Fall? Number two, has he informed the council of the decision? And number three, will their equipment be sent in late Fall now so it will be on hand in Cartwright for early Spring?

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

MR. N. WINDSOR: Mr. Speaker, both statements that were made are indeed quite accurate, Funding has been made available for these projects this year. We have contracted a consulting firm to do design on the water and sewer project for Cartwright. That is progressing normally. I am advised by the consultants that the design will be available by the end of September or certainly in the area of the end of September ready for tender call, the intent being that the tenders will be called immediately so that contractors can get in there before Winter and see the on-site conditions, submit their bids and the contract can be awarded early during the Winter months so that the contractors then will have the opportunity to order the materials for the project, to have them shipped in very early in the season, and start construction very early next Spring with the intent being to complete the project in the 1980 construction season.

MR. E. HISCOCK: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. member for Eagle River.

MR. E. HISCOCK: Does that also mean that when I brought the question up before that I was given the impression that there was no consultanting firms involved, that the reason why the Department of Transportation was not going on with the road or the airstrip was because the Department of

MR. HISCOCK: Municipal Affairs was the one that was doing the study?

MR. SPEAKER (Simms): The hon. Minister of Municipal Affairs.

MR. N. WINDSOR: Mr. Speaker, the hon. gentleman is talking about three different projects, The one that he mentioned in his first question was the water and sewer project. I have answered that in relation to consultants. The other project, the road programme through the Department of Municipal Affairs, the local roads in the community and the airstrip through the Department of Transportation and Communications, the officials of the two departments are still working on that. We hope that it will be done by officials of the department, if not we will get a consultant to come in and do the supervision. But that decision has not been finally made. But the intention there as well is to have this ready for the Fall so that tenders can be called and awarded and the work done over the 1980 construction season.

MR. SPEAKER: A final supplementary, the hon. member for Eagle River.

MR. HISCOCK: So if I am correct, the Department of Municipal Affairs will not move in unless the Department of Transportation - the two departments go in at the same time?

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

MR. N. WINDSOR: It is our policy, Mr. Speaker, to cooperate, the two departments together, and we hope to do this as a joint project. That was the rationale why funding was made available on an urgent basis to the Department of Municipal Affairs this year. In view of the fact that the Department of Transportation had already made a commitment to do the airstrip and while the contractor was there doing the work it was economical and sensible for us to proceed with the local road project as well. So both projects will be done together.

MR. HISCOCK: A final supplementary.

MR. SPEAKER (Simms): I indicated a final supplementary I believe a moment ago unless the member for Torngat (Mr. Warren) would like to yield.

MR. WARREN: I yield.

MR. SPEAKER: A final supplementary. A final, final supplementary.

MR. WARREN: Could the minister advise the Council at Cartwright of the decision and let them know because as of now they do not know what is going on, they have not received any communication from either one of the departments?

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

MR. WINDSOR: I tend to disagree with the hon. gentleman in his statement, Mr. Speaker. First of all, the Council in Cartwright obviously know that consultants have been appointed; consultants are obviously there doing field work and must be in contact with the Council. So the Council must be just as aware, probably even more aware than I am personally of what is happening in Cartwright as far as the design work and how that is proceeding. So I am sure they are aware and I am sure our officials are in contact with them.

MR. SPEAKER: The hon. member for Torngat Mountains.

MR. WARREN: Mr. Speaker, my question will be to the hon. President of the Council. On August 9th., the hon. Minister of Fisheries announced a gear subsidy programme for Labrador. Across the House he verbally told me that it was not coming into effect before August 9th. Could the hon. President of the Council advise me otherwise?

MR. SPEAKER: The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, first of all I would like to thank the hon. member for the courtesy of giving me advanced notice of this question which has enabled me to find the answer for him. The



MR. MARSHALL: effective date for acceptable gear purchases is January 1st., 1979. So gear for the 1979 fishing season, if purchased before January 1st., 1979, even that may still be considered, if the fishermen can provide sufficient evidence that the gear was not used prior to the 1979 season. In other words, it cannot be used.

Also I would like to inform the hon. member and in the House the government has made every effort to expedite

MR. W. MARSHALL: this programme, has advised all Labrador fishermen that they may apply through the departmental field representatives at Goose Bay and Mary's Harbour and it is already that these people, the representatives there, have been visited and application forms have been provided. So we are doing our utmost to see that the Gear Replacement Programme for Labrador comes into effect and is an effective programme for the 1979 year.

MR. SPEAKER: (Simms) The hon. member for Bonavista North.

MR. L. STIRLING: Thank you, Mr. Speaker.

I have a question for the Minister of Rural, Agricultural and Northern Development (Mr. J. Goudie). As the minister is aware, as we have been discussing it for the last number of days, there was a regulation brought in which may have the effect of being a potential disaster for the blueberry industry this year in Newfoundland - it might have the effect of disrupting the picking, collecting and sale of berries. I wonder if the minister has a current report on that situation?

MR. SPEAKER: The hon. Minister of Rural, Agricultural and Northern Development.

MR. J. GOUDIE: Mr. Speaker, I, like the hon. President of the Council, would like to express my thanks to the hon. member for Bonavista North (Mr. Stirling) for having given me notice that he would ask the question. The situation in relation to the upcoming blueberry season and new regulation which is to become effective, or it is certainly recommended to become effective this year, has to do with the further processing of blueberries in this Province beyond the picking, washing and cleaning stage. A suggestion has been made that we should bring in the regulation to require that an IQF system be brought in so that the blueberries are individually quick-frozen before they are shipped out of the Province.

MR. J. GOUDIE: The hon. member has expressed some concern to me on behalf of a number of pickers and buyers in his area of the Province, people who he suggests may be negatively affected by this particular regulation. I will give him the commitment now that this situation will be analysed again. I have had briefings from the staff in the department in relation to this problem. I was fairly satisfied that it was a good regulation since I understood all people in the Province, people who were associated with blueberry picking and selling, had been notified three years ago that this regulation would be coming into effect this year. But, apparently, there is a problem with some people, at least, indicating they have not been notified so I have to analyse the situation again. As a matter of fact, I have asked one of the staff of the department to come up to meet with me and the hon. member following the Oral Question period today before six o'clock, Mr. Speaker, to try and resolve this situation.

MR. SPEAKER: The hon. member for the Strait of Belle Isle.

MR. E. ROBERTS: I have caught someone off guard, I thought my friend from Bonavista North (Mr. Stirling) had some supplementaries.

AN HON. MEMBER: The minister gave the answer.

MR. E. ROBERTS: The individually quick-frozen, I thought that was the most labour intensive suggestion I ever heard, one blueberry at a time.

My question, Sir, is

MR. ROBERTS: the gentleman from St. John's East (Mr. Marshall), who I assume is the Acting Premier. I quite agree with him that there can be no such thing as a Deputy Premier because, as the hon. Mr. Curtis used to tell us, only one minister could have relations with the Governor and that is the Premier of the Province, the First Minister. But in the absence of the Premier from the Province, there certainly should be an Acting Premier, and I assume it is the gentleman from St. John's East extern. And on that understanding I would ask him if he could tell us whether the government as yet have come to any decision with respect to the contract for the gentleman who was the head of the Action Group? The hon. minister, I am sure, recalls the Premier told the House a fortnight or so ago that he would be, within two or three days of his statement, meeting with the gentleman who headed the Action Group to discuss the matter, and as the Premier will not be back in the House as far as I know before the House adjourns, I wonder if the President of the Council could bring us up-to-date.

MR. SPEAKER: (Simms) The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, the government have not come to a complete resolution of it yet, but I would like to assure the House that the matter is not dormant. I mean, as the hon. House knows, the Action Group has been disbanded and there has been active work done in connection with the matter, but we are not in a position yet as we had hoped to be, to come in with our statement as to the resolution of it.

MR. ROBERTS: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary, the hon. the member for the Strait of Belle Isle.

MR. ROBERTS: I would thank the President of the Council. Could he tell us two things? One could he confirm, just so we have it on record, that the head of the Action Group is still employed by the government even though the Action Group apparently, as a group has ceased to exist - if the gentleman is still employed in the Public Service? And sobeit - if that is the case, perhaps the minister could confirm it. Secondly, would he confirm what he appeared to say in the latter part of his answer to my question, which is that the government will be making

MR. ROBERTS: a statement when the issue which the minister assures us is not dormant has been resolved? Will the Premier or a minister for the government be making a statement, whether it is in the House or outside, wherever it is appropriate at that time?

MR. SPEAKER: (Simms) The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, to the first question. The hon. gentleman concerned is under contract, of course, and I do not know whether he is - technically speaking, not a public servant - but he is certainly under contract still to the government.

MR. ROBERTS: He is still being paid?

MR. MARSHALL: He is still being paid under that contract.

But, as I say, there are negotiations ongoing with respect to it, and I can certainly assure the House that even though the House closes, the government, in this matter as in all matters, will make public statements even when the House is not sitting with respect to it.

MR. ROBERTS: Mr. Speaker, may I have one more question?

MR. SPEAKER: A final supplementary, the hon. the member for the Strait of Belle Isle.

MR. ROBERTS: Thank you, Your Honour.

Mr. Speaker, again, I would thank the President of the Council. He used the word 'negotiations'. I wonder if he would confirm or deny, as the case may be - to phrase it in the interrogative; are the government proceeding to negotiate their way out of the contract or have they alternately served notice upon the gentleman who is head of the Action Group that the contract is at an end and we will see what happens then?

MR. SPEAKER(Simms): The hon. the President  
of the Council.

MR. MARSHALL: I do not think at this  
stage - if I used the word 'negotiations', which I know I did, I  
prefer to say that the matter is under very active consideration  
and I do not think at this time it would be appropriate for me  
to say any more than what I have already said.

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

MR. FLIGHT: Mr. Speaker, my question  
is to the Minister of Municipal Affairs and Housing. I am  
wondering if the minister would indicate to the House; when his  
department is receiving applications from towns to take advantage  
of the forty/sixty road building, or paving, or maintenance  
programmes, when these particular applications are turned down -  
as he knows many are being turned down over the past weeks - and  
when some of those applications indicate that the agreement is  
necessary and the money is necessary to maintain roads in a given  
community in a passable condition, to protect what they have and  
to guarantee the citizens of that community having roads that  
they can possibly use, when that rejection is made, does the  
minister accept that as being a position that the council is in a  
bankrupt position and no longer able to maintain the basic  
essential services for which they are elected?

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

MR. WINDSOR: No, Mr. Speaker, it is a  
matter of priorities, I suppose. We have by far more requests for  
funding for roads than we could possibly handle. The main criteria  
that we look at, the most important one, of course, would be to  
ensure that the municipality is in a financial position to absorb  
the debt that would be incurred as a result of any road construction.  
As the hon. gentleman mentioned, it is a sixty/forty programme, this  
one that is available. The municipality will be responsible for  
40 per cent of the cost of that so we have to ensure, in the

MR. WINDSOR: interest of the municipality, that they are not getting into a project that they cannot afford.

If the hon. gentleman is talking about a case where the road is impassable, then I think, yes, we would have to have a special look at that. I am not aware that any request to upgrade roads that were in that bad a condition has been refused. If it has I would certainly have a look at it with him.

MR. FLIGHT: A supplementary, Mr. Speaker.

MR. SPEAKER(Simms): A supplementary. The hon. the member for Windsor-Buchans followed by the hon. the member for Baie Verte - White Bay.

MR. FLIGHT: The minister can be assured that there is a community which has made application and it has been rejected and they are no longer in a position to keep their main roads passable. That was pointed out in the application but it was still rejected so what I am wondering is what the department's attitude will be in that particular instance.

The supplementary question is; would the minister indicate whether or not we have a situation in this Province where some towns are approved under the forty/sixty agreements, others are rejected but to other towns in Newfoundland funds are made available at 100 per cent, no cost sharing at all, no commitment from the town, that the Province makes 100 per cent of the road programmes that they request from the Department of Municipal Affairs, the Department of Municipal Affairs funds totally, that there are towns in Newfoundland receiving total funding from the Department of Municipal Affairs for their road programmes.

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

MR. WINDSOR: There have been cases, Mr. Speaker, where Cabinet, not the department - Cabinet can approve

MR. WINDSOR: funding in excess of sixty/fifty in isolated cases. These would primarily be in cases again where in a municipality, obviously, the need was great, and the case that the hon. gentleman is presenting may well be one of these cases. As I indicated in my previous answer, I would certainly be willing to discuss it with him and have a look at any particular situation. I have an idea of the one that he is talking about and he may well have a very valid case and I think we should have a look at it.

The situation is though that in many cases, he may be well right, that we have said to a municipality, no, we will not approve funding even though we know the roads are in bad condition. I suspect in that case that the level of taxation imposed by the municipality on the residents is probably very low. In effect, what we are saying is that you have not shown us, as required, how you can afford to repay this loan simply because you have not indicated that you will increase your service fee or your property tax rate or whatever to raise the amount of funding required. So if in our opinion it is possible the level of taxation is low in that municipality, that it would be possible for the municipality to increase their tax rate so that they could raise the amount of money, indeed, we would probably refuse. In other words, what we are saying, agree to increase your taxes to raise the amount of money that you will need and we will, perhaps, approve it. Now, in some cases we have had situations where road improvements are absolutely essential and the municipality is already at a fairly high tax level, as much as the municipality feels and as much as we feel they can afford and in isolated instances we have approved more, yes.

MR. SPEAKER(Simms):  
Baie Verte - White Bay.

The hon. the member for  
Mr. Speaker, my que

MR. RIDEOUT:  
is for the President of the Council. I realize the hon. gentleman is having a busy day but there are so many empty places in the



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MR. RIDEOUT:

front benches. I

understand that the Minister of Tourism (Mr. Power) will be meeting

Mr. Rideout: with the Federal Minister of Fisheries (Mr. McGrath) on Thursday to discuss the - and the top item on the agenda will be the transfer of responsibility for fishery wardens in the Province to the Provincial Government.

I wonder if the minister could tell me whether or not the Province has looked into the actual cost of this particular transfer, and whether or not any agreement has been reached between the Province and the Federal Government with regards to cost sharing the proposal. My understanding is that it would be about \$25 million in the entire tourism budget; I believe it is \$21 million this year.

MR. SPEAKER (SIMMS): The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, I am not in a position at the present time to make any observation in detail concerning the question. However, I can say that if such a transfer of jurisdiction does transpire, with the attendant extra cost there is obviously going to have to be compensation from those people who previously had the responsibility for it, i.e., the Federal Government.

But I cannot really respond in a great deal of detail as I am sure the hon. member will appreciate.

AN HON. MEMBER: (Inaudible).

MR. SPEAKER: Order, please! Order, please!

The time for Oral Questions has expired.

On behalf of all hon. members I wish to welcome to the gallery today the Executive and Members Of The Eastern Newfoundland Life Underwriters Association.

SOME HON. MEMBERS: Hear, hear!

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

MR. SPEAKER: The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, I have the response to the question addressed to me yesterday by the hon. member for Burin-Placentia West (Mr. Hollett). As the hon. member will realize there were two patrol vessels of the RCMP in the Province. They

Mr. Marshall: were entitled The Standoff based at Burin and The Centennial based at Fortune. The hon. member's question involved as to whether or not one of these vessels was no longer going to be in use? And the answer is, yes. The RCMP have advised that the need for larger vessels has lessened particularly because the RCMP in recent years, as a result of modern police methods and the use of helicopters stationed in the Province, has what they deem to be a more effective means of surveillance than the boats. Consequently, they have advised that they will be disposing of The Centennial and they will be transferring The Standoff, which is the other patrol vessel, to Fortune.

Now, the selection of Fortune as the site for The Standoff, I might emphasize, was the decision of the RCMP. The vessel is used in federal work mainly, the enforcement of federal regulations as opposed to provincial regulations, and the Province pays none of the costs. The Province will not be losing any RCMP personnel because the five RCMP persons who were on the vessel before will be deployed to other areas of the Province for the purpose of enforcement of other laws, which brings us back to the question the hon. member for LaPoile (Mr. Neary) asked today of the need for more surveillance in lawbreaking. So they are being used in the Province - the personnel concerned.

As far as the government is concerned it is really a federal matter because the vessel is used primarily for the enforcement of federal regulations. We do as a matter of courtesy receive advice in the matter being responsible for the administration of justice, obviously, but the government would be indeed hesitant in a case such as this to interfere with the assessment of the RCMP who are the experts and give us the advice that this is the best and most useful way to use the resources of the RCMP in the Province.

MR. SPEAKER: The hon. Minister of Lands and Forests.

MR. MORGAN: Mr. Speaker, yesterday the hon. gentleman for Bonavista North (Mr. Stirling) asked a question in connection with the

Mr. Morgan: possibility of the Rayo sawmill in the Gambo area being dismantled and sold in that form. In the position as Acting Minister of Industrial Development, I took it upon myself today to discuss with the officials of both departments, Forestry and Industrial Development, to determine whether or not these rumours were correct or accurate. The fact is that that sawmill operation has been inactive for some time now, and the Department of Industrial Development in conjunction with the Development Corporation have been attempting to find possible operators. They called for proposals some time ago, and unfortunately none were acceptable to them from the local level. Some consideration had been given to the possibility of dismantling, but because of the recent fire, I say the recent fire in the recent season, in the general area, 60,000 acres being burnt over, that now the situation is different. Therefore, we are now looking at proposals from local operators, in fact, local in one content of being from the general area, another from the St. John's area. And we are hoping

MR. MORGAN: that the Development Corporation in conjunction with the department can find one of these two proposals now being looked at acceptable to them. We can reactivate the mill and then of course utilize the burnt wood in the general area.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Simms) The hon. Minister of Health.

MR. HOUSE: Mr. Speaker, I have the answers

to four questions put on the Order Paper by the hon. member for LaPoile.

(Mr. Neary) These are the four that were put on for Health. One of them there referring to the number of cases of tuberculosis in Daniel's Harbour and Flowers Cove. There were fifteen cases in Daniel's Harbour in 1978 and to date, in these three years, only two in Flowers Cove and it was not considered to be an epidemic there. The causes, of course -

I am advised by the director there that because of an historical high incidence of tuberculosis in the Province there still exists a reservoir of people who have had tuberculosis and others who have contacted it and have resisted the disease, and they always have to keep watching out for outbreaks.

MR. ROBERTS: They X-rayed everybody who was in Flowers Cove last year.

MR. HOUSE: They X-rayed a lot. There were only two though, two isolated cases.

MR. ROBERTS: (Inaudible).

MR. HOUSE: Two cases in Flowers Cove. Yes.

The other one there-and the hon. member asks this just about every year - is the number of cases of battered wives. We can never get that statistic. I just want to advise the House that we do not get that statistic but I believe there is a group trying to locate that kind of information. I believe the Status for Women have a committee working on it. We do not get that information. It is not an any statistical information that we receive at the department.

With regard to

MR. HOUSE: the number of hospitals in the Province with dialysis machines, I think the question was, to be equipped this year with dialysis machines: The fact is there are only three machines in the Province, one in Corner Brook and two here in St. John's. We are not going the approach for dialysis machines in the hospitals instead we are trying to use the home dialysis and there are a number of these in operation now and we are preparing a number of people for them.

MR. NEARY: What about the fourth one?

MR. HOUSE: The fourth one was on the -

MR. ROBERTS: How many patients are there getting dialysis in the Province?

MR. HOUSE: In the Province there are about - something like eighty.

MR. ROBERTS: Are there any people who should be dialysed who are not being?

MR. HOUSE: Not to my knowledge. I think everybody is being dialyzed. Most of them are accessible to either the Corner Brook or the St. John's units. I believe we are talking about the Central Newfoundland area and there are only about five people accessible if it were in the Central Newfoundland area.

MR. SIMMONS: You gave three answers. You said you were going to give four.

MR. HOUSE: The other one was on the - There are a number of questions in one relating to the number of abortions in the Province. I believe I answered that in Oral Questions earlier in the year.

AN HON. MEMBER: No. You did not.

MR. HOUSE: Yes, to the hon. member.

And that one, in the case of the Health Sciences Complex, the question was the number: 475.

AN HON. MEMBER: So far this year?

MR. HOUSE: No. That was 1978. We have no figures this year. And the reasons for these? We do not have that information. They are all classed as therapeutic abortions.

MR. ROBERTS: There is some doubt whether they are lawful if they are not.

MR. NEARY: A point of order.

MR. SPEAKER: (Simms) A point of order. The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I still have about thirty-eight questions on the Order Paper unanswered and the biggest culprit, Sir, is the Minister of Finance (Dr. Collins). Mr. Speaker, I would like for Your Honour to advise me if Your Honour can bring pressure to bear on ministers? If I go to the trouble -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. NEARY: Mr. Speaker, I go to the trouble to write these questions and put them on the Order Paper through Your Honour's office and the biggest culprit is the Minister of Finance, Sir, who has refused so far to give me the information I have asked for in connection with Labrador Linerboard. Is there anything Your Honour can do to bring pressure to bear on the ministers to give me answers to the questions that I have put on the Order Paper?

DR. COLLINS: To that point of order.

MR. SPEAKER: To the point of order.

The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, in regard to that point of order, I do not think there is any point of order whatever. There is no onus put on the minister to respond but I would like to reassure the House that the minister will respond.

DR. J. COLLINS: At this point in time I will have to tell the hon. member that the department is working diligently and some of the questions he asked are putting a tremendous strain on the resources of the department to dig out this information.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: (SIMMS) To the point of order, obviously the question should be put during Oral Question Period and there are certainly precedents for this particular ruling that I am about to make. In fact, in the last two days we have had the same point of order and the same ruling. I would rule that there is not a point of order in this particular circumstance because of the fact that ministers are not required to answer questions.

#### ORDERS OF THE DAY

MR. W. MARSHALL: Order 9, Bill No. 50  
Motion, the hon. the Minister of Mines and Energy to introduce a bill, "An Act To Further Amend The Government - British Newfoundland Exploration Limited Authorization Of Agreement Act, 1957," carried.

On motion, bill no. 50 read a first time ordered read a second time on tomorrow.

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

DR. COLLINS: Mr. Speaker, I have received a message from His Honour The Lieutenant-Governor.

MR. SPEAKER: This message is addressed to the hon. the Minister of Finance.

"I, the Lieutenant-Governor of the Province of Newfoundland, transmit estimates of sums required for the public service of the Province for the year ending 31st. day of March 1980, by way of further supply and in accordance with the provisions of the British North America Act of 1867, as amended, I recommend these estimates to the House of Assembly.

(Sgd) Gordon A. Winter  
Lieutenant-Governor."



MR. SPEAKER: (SIMMS) The hon. member for the Strait of Belle Isle.

MR. E. ROBERTS: Before the Government House Leader (Mr. Marshall) calls whatever order he wishes, could the Minister of Finance simply set me straight? Obviously, we have to have a letter under the British North America Act before we proceed with the bills. But as I recall it, and I have not had an opportunity to check it, the Lieutenant-Governor already sent us a little note recommending the main Estimates and that note there referred to Estimates for the current year. Is this money over and above the main Estimates or what is it?

MR. SPEAKER: The hon. Minister of Finance.

DR. J. COLLINS: Mr. Speaker, this is the Main Supply Bill, these are the main Estimates.

MR. SPEAKER: The hon. member for the Strait of Belle Isle.

MR. E. ROBERTS: But have we not already had a letter concerning - Your Honour, I know it is the Main Supply Bill that was what the letter said when the Speaker read it but what I am wondering is have we not already had a letter covering the Main Supply. I mean that is the letter which the Minister of Finance (Dr. Collins) read when he gave his Budget Address, is it not? I am not it is, I am just saying I want to know. How many letters are we getting?

MR. SPEAKER: The hon. Minister of Finance.

DR. J. COLLINS: Mr. Speaker, if I can just consult with the officers of the Table just for a moment.

MR. SPEAKER: Yes.

MR. E. ROBERTS: I am all for going ahead with the business of the day.

MR. SPEAKER: The hon. President of the Council while we are waiting for Dr. Collins.

MR. W. MARSHALL: The point is certainly well taken. The Committee of Supply is a bit of a jungle. We were under the impression that we had to have a message i.e. today for the passage of the bill and there was something distinct between that and the Budget. But the hon. member's observation is well taken. We could look into it if we could proceed.

MR. E. ROBERTS: I am all for going ahead, Mr. Speaker, with the Supply Bill.

MR. W. MARSHALL: You would like to get that clarified.

MR. E. ROBERTS: I would just like to get to the bottom of how many messages we need. I gather there is no supply being requested over and above that which was requested in the original Estimates tabled by the Finance Minister.

MR. W. MARSHALL: That is right.

MR. E. ROBERTS: Okay, that is all.

MR. SPEAKER (SIMMS): We will take the point under advisement. The hon. President of the Council.

MR. W. MARSHALL: Mr. Speaker, I move that the message of His Honour, the Lieutenant-Governor be referred to a Committee of Supply.

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

DR. J. COLLINS: Mr. Chairman.

MR. CHAIRMAN (Baird): The hon. Minister of Finance.

DR. COLLINS: Mr. Chairman, as was stated a moment ago this is the main supply bill for the fiscal year '79-'80 and as the Budget Speech disclosed the total amount of supply requested this fiscal year is \$1.213 billion, in actual fact \$1,213,567,700. Now hon. members will recall that in two interim supply bills the House had assented to a total of \$579,180,000 and this supply bill now is a request to supply Her Majesty with the remainder which amounts to \$634,387,700.

The schedule in the bill outlines the expenditures for each department and as hon. members well know these -

MR. ROBERTS: On a point of order, Mr. Chairman.

MR. CHAIRMAN: The hon. member for the Strait of Belle Isle.

MR. ROBERTS: I do not want to interrupt the minister giving such a learned point but could the Chairman call the bill, or at least the motion. I mean I gather we are on the main supply motion but I do not know what number it is.

MR. MARSHALL: I think I can clarify it, Mr. Chairman.

MR. CHAIRMAN: The hon. House Leader.

MR. MARSHALL: What we have to do in supply is we move that the estimates be carried and then we come back and when the bill is introduced then the remarks -

MR. ROBERTS: We have to move a motion. We have to carry a motion and I just want to know which motion it is. I mean all I am pointing out is that the minister in his rush to have us get our teeth into this, the motion has not yet been called by the Chair. Let us have a motion before us.

MR. MARSHALL: The procedure is that the House Leader moves and I now move that the total contained in the estimates be

MR. MARSHALL: carried, then the Chairman reports to the Committee, then he comes back with the bill and then the hon. minister could perhaps more appropriately make his address to the bill then at that time.

MR. ROBERTS: Now we are getting there.

MR. MARSHALL: So I move then, Mr. Chairman, that the total contained in the estimates, that is the amount of \$1,213,567,700, as shown in the estimates, be carried.

MR. ROBERTS: All right. Now, we carry that.

MR. MARSHALL: We carry that an -

MR. ROBERTS: Carried. Now, get up and move the main supply.

MR. MARSHALL: And then he reports back and then we come back and debate the bill.

MR. ROBERTS: All right, now we are getting there.

Now we are getting there. Then the minister should not say a word -

MR. MARSHALL: No, not yet 'John'.

MR. ROBERTS: Hold on now. Hold on now.

MR. CHAIRMAN (Baird): Does the motion carry? Carried.

MR. NEARY: Why do you not put a leash on the Minister of Finance? Where is the conductor today?

MR. MARSHALL: Mr. Chairman, I move that the Committee rise, and report progress.

MR. ROBERTS: Report some progress.

MR. NEARY: They are coming to get the Minister of Finance.

MR. CHAIRMAN (Baird): I move that the Committee rise, report progress -

MR. ROBERTS: And ask leave to sit again.

MR. CHAIRMAN: - and ask leave to sit again.

MR. ROBERTS: We will need you again, Sir.

MR. CHAIRMAN (Baird): Carried. My finest hour.

MR. ROBERTS: The Acting Minister of Industrial  
Development is in a bad mood today is he?

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: No, I do believe the finance procedure  
should be done properly if the Minister of - whatever he is -  
does not mind. We are only talking \$1 billion.

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

MR. SPEAKER(Simms):

The hon. the member for  
Humber West.

MR. BAIRD:

Mr. Speaker, the  
Committee of Supply have considered the matters to them referred and  
report having passed the amount of \$1,213,567,700 contained in  
the Estimates of Supply and ask leave to sit again.

On motion, report  
received and adopted Committee ordered to sit again presently, by  
leave.

On motion, that the  
House resolve itself into Committee of Supply to consider the  
report of the Committee of Supply with respect to the estimates of  
1979-80, together with a resolution and a bill attached thereto,  
Mr. Speaker left the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN(Baird):

Order.

RESOLUTION

That it is expedient to  
introduce a measure to provide for the granting to Her Majesty for  
defraying certain expenses of the Public Service for the  
financial year ending the 31st day of March, 1980, the sum of  
six hundred and thirty-four million three hundred and eighty-seven  
thousand seven hundred dollars (\$634,387,700).

MR. CHAIRMAN:

Shall the Resolution carry?

DR. COLLINS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the Minister of Finance.

SOME HON. MEMBERS:

Hear, hear!

DR. COLLINS:

Mr. Chairman, may I start  
by thanking my hon. friend and colleague across the way who was a  
former constituent of mine, calling so vociferously for my few  
remarks. My remarks are very few. Hon. members have the bill  
before them, they have the schedule before them, they know the  
amounts to be voted for each department, they know that these were  
discussed in great detail in Committee except for the first three  
items; Consolidated Fund Services, Legislative and Executive Council

DR. COLLINS: which were considered  
in the Committee of the Whole. Those are the only remarks I  
would like to make.

MR. SIMMONS: Mr. Chairman.

MR. CHAIRMAN(Baird): The hon. the member for  
Burgeo - Bay d'Espoir.

MR. SIMMONS: Would somebody tell me  
the number of the Supply Bill.

SOME HON. MEMBERS: Thirty-nine.

MR. SIMMONS: Thank you. Now that we  
have established what we are talking about, Mr. Chairman, and for  
the benefit of my good friend from Bonavista South (Mr. Morgan),  
we are only talking about \$634 million really, only \$634 million,  
because the rest we already gave approval for earlier. Some two  
or three weeks ago \$225 million and before that we were gracious  
enough to let them a few millions to get them through the election.  
But now we are only talking \$634 million so I can well understand  
the minister's impatience in not wanting to deal too much in  
formality, not make sure it is done right because after all, it is  
only a little over a half billion dollars.

Mr. Chairman, most of the  
things that need to be said have been said in the Estimates  
Committees, the three of them, and in the Committee of the Whole  
and Committee of Supply so my remarks will be very brief. It is not  
our intention on this side of the House to delay this bill or to  
otherwise occupy the time of the Committee

MR. SIMMONS: with speeches from other of my colleagues. We would not want that to be interpreted as having in any way eased off on our criticism of some points in the Budget. But I believe the process that we have gone through with Committees has served very well members on both sides of the House who wanted to record their approbation for the good things in the Budget and to record their constructive criticism for the other items.

Mr. Chairman, while I have the floor, I do want just to say a very brief word about the Committees. I was not a member of either one of the Estimates Committees, and indeed, the only Committee I attended was the Government Services Committee at which time the Finance Estimates were being deliberated on. And during the three Concurrence Debates, I was absent from the Chamber because of the meetings of the provincial auditors and the Public Accounts Committee chairmen, so I did not really get an opportunity to speak in either one of the Concurrence Debates although I had fully intended to do so. I do want, Mr. Chairman, nevertheless, to just go on record as saying how much I endorse the Committee system which is now in vogue and in practice here. It is a system that I advocated but that many others advocated too, including the present Premier, and to his credit, he has taken the initiative in having the system introduced and has allowed it to work in this House. And I believe, Mr. Chairman, it worked very well. I have been in the House now for six years or seven or eight sessions - seven sessions, I guess - and we have never had in my time in the House any really productive deliberation of the Estimates, no item by item scrutiny of the Estimates. We can all assign blame as to why that was the case, but that aside, Mr. Chairman, the Estimates were never properly scrutinized in my time in this House until this year.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMONS:

And I say to the Committee that I believe this year for the first time, thanks to the new Estimates Committee system, we have had something approaching proper scrutiny of the Estimates of the various departments. And in that respect, Mr. Chairman, I believe much



MR. SIMMONS: credit is due the three chairmen of the Estimates Committees from Stephenville (Mr. F. Stagg), St. John's West (Mr. H. Barrett) and St. John's North (Mr. J. Carter), and the members of the Committees who, it is very obvious from press clippings alone - and I must say, I must rely on press reports because I was not by and large at the committee meetings - but it is obvious from press reports alone that committee members from both sides of the House did their homework, and I believe they did it well. And the result was that they were able to ask some fairly probing questions and able in many cases to get some fairly adequate answers.

Mr. Chairman, I do not think it is possible, given the limitations under which we have operated and the particular circumstances of this session when we are meeting in the - I was going to say the heat of Summer, that would be somewhat an overstatement now - but meeting during the Summer when in many cases if the truth were known, our minds may well be elsewhere - but given the particular circumstances of the recent sittings of the Estimates Committees, I think it is commendable that so much work has been done.

I do not think it is possible, in any event, to fully scrutinize a set of Estimates every year, nor is it necessary. I would see us next year emphasize or zero in on the Estimates of certain departments or certain heads within certain departments, and another year, zero in on something else. And I believe, in that kind of spot check fashion, if you like, we can see that the reason for the whole process is being met, namely, to satisfy the legislators of this Province that the money of the Public Treasury is being well spent and is being well and properly assigned to various expenditure functions. And, as I say, I do not think it is necessary to achieve that end to have a fine pencil scrutiny of every subhead every particular year as long as over a two or three or four year period you can have that kind of scrutiny.

Mr. Chairman, I just want to go on the record as being in full endorsement with the procedure.

Mr. Simmons: I think it is a good procedure. My colleague the Leader of the Opposition has already given to the House some suggestions as to how the Committee procedure can be improved. And I do not think any of us in this House fully expected that it was going to be a perfect process the first time around. Of course, like any human creature it is subject to some improvement. And I am hoping that perhaps the three Committee Chairmen, I say to my friends for St. John's North (Mr. J. Carter) and for Stephenville (Mr. Stagg) who are in the Chamber, and also to my friend for St. John's West (Mr. Barrett) perhaps the three Committee Chairmen, if they have not already done so, might take it upon themselves to, perhaps in a meeting of the three or the three with their Vice-Chairmen, might take it upon themselves to make some recommendations to the Government House Leader (Mr. Marshall), as to how the process can be improved in the light of their experience during the past few weeks.

I have in mind in particular the item that my colleague for Bellevue, the Leader of the Opposition made, and that is the constraints which simultaneous meetings of the Committees placed both on members of the House, as well as the press, and the public in general. I believe that is a point that has been well aired, and I would hope can be accommodated before the Estimates Committees next meet.

Mr. Chairman, the bill before us right now would have us give sanction for the remainder of the monies that government needs in the current fiscal year, the remaining \$634,387,000. That \$6 million represents just about half or just over half the total amount that the government has requested of the House for this current fiscal year. And as I have said, in two bits, one last Spring and one a week or two ago, we have already given authority for an expenditure of five hundred plus million dollars, and this would be the remainder of the financial authority needed by the House, or by the government rather, by the government of the House for this fiscal year.

Mr. Simmons: The bill, Mr. Speaker, I believe all Committee members are aware, is another way or is a summation, if you like, the formality, if you like, the formality required, an important formality, but the formality required to give effect to the agreements we have made in the Estimates Committees and in the scrutiny of the three first heads in this House.

Now, Mr. Chairman, before concluding my remarks I just want to record one or two points which I feel very strongly and would normally have made in the Concurrence Debates but I was absent from the House during those debates, so I shall take the liberty or use the opportunity of making them here and making them very briefly. And one of these points relates to my very deep concern about the deception of this year's Budget, the deception as it relates to resource development. I believe people all over this Province are committed to the idea that our salvation is in generating new dollars. Our salvation, economically, is in resource development. They are committed to that. They are prepared to make certain sacrifices to see that economic development in the resource area pursued. They are prepared to make sacrifices for the genuine thing.

What bothers me, Mr. Speaker, and what I find very deceptive is that the public of Newfoundland through a lot of rhetoric in the Budget, rhetoric during the campaign which we have been through just a month or so ago and public statements generally from spokesmen for the government, the public generally are being conned, Mr. Chairman, conned into thinking that we are on a substantial resource development strategy when the facts, Mr. Speaker, the figures in the Budget belie that kind of impression.

MR. SIMMONS: And that is the deception of this Budget more than anything else, Mr. Chairman, It holds forth the promise of real performance by this government in the resource sector and yet, if you put aside the particularly healthy situation of the fishery, a circumstance, Mr. Chairman, that the government cannot share much of the credit for, a circumstance which is related very largely to the renewed fish stocks which in turn relates to the initiative of the former federal administration in respect to the 200 mile limit, and so Mr. Chairman, if you lay aside the particularly healthy state of the fishery at this particular time. one is hard pressed, I would say, Mr. Chairman, one is hard pressed to find any real performance in the resource development sector. And yet, Mr. Chairman, we see in the Budget a lot of talk about the renewed, stepped up, increased emphasis on resource development, and one would be inclined to take the government and the Minister of Finance at his word until you check the figures and you find that the estimates are betraying the minister, that there is not, you will find, there is not the emphasis on resource development, indeed, beyond that, there is a de-emphasis. There is less money being spent, for example, on rural development than was the case last year.

The Budget, if you scrutinize the figures department by department, clearly illustrates that the minister, unwittingly, I am sure, is not levelling with the taxpayers or with the House on the matter of resource development. He tells them one thing, the figures tell quite a contrary story altogether.

Mr. Chairman, that is the one issue that I want to draw particular attention to in this Budget and in these set of estimates now before the Committee. The deception because it goes beyond, Mr. Chairman, whether we are going to be able to pay our bills or whether we are going to be all employed or whether we are going to have comfortable social

MR. SIMMONS: welfare situations or better roads, it goes right to the integrity of government. People have got to be able to believe those they put in public office. I have not said they do, very often they do not and very often they have good reason not to believe those they put in public office, but that does not mean, Mr. Chairman, that government should take licence in this particular issue. Government should show the way when it come to basic integrity, basic believability. And I say the government here and in its statements prior to the election, in statements by spokesmen for government generally, the government is being very, very deceptive on its stance on resource development.

The minister was a bit nearer the truth in one of his interviews about the time the Budget came down when he referred to it as a hold-the-line Budget. I am not advocating it should be that kind of Budget, I am just saying that that is the reality, that at best it can be called a hold-the-line Budget. My friend from Bonavista North (Mr. L. Stirling) had a better term for it when he referred to it as a new kind of dance - it was a step forward and two steps backwards - but at the very least, Mr. Chairman, to be kindest, the Budget, as the minister himself said, was a hold-the-line Budget, and he was nearer to the truth when he said that.

MR. SIMMONS: Too bad his speech writer did not have the courage and the forthrightness to say that in the printed script which appears in the Budget Speech, because in the Budget Speech we are being told that a new day has dawned for resource development in this Province -

AN HON. MEMBER: Oh, yeah!

MR. SIMMONS: - and in the Estimates we are being told that they are backtracking on resource development. That, Mr. Chairman, because it relates to basic integrity, that, Mr. Chairman, because it gets at the very soul of why we are here and why we are here as a people, that, Mr. Chairman, is the basic issue about this Budget. It is highly, grossly, insultingly deceptive, and that I object to, Mr. Chairman, very strongly.

Having said that, Mr. Chairman, I say to the Government House Leader (Mr. Marshall), it is not our wish to get into a protracted debate on this and unless the government sees some need to, it is our intention at this point to allow this to pass because we would like to get on to some other bills which the Government House Leader has given notice he will call before the Committee.

SOME HON. MEMBERS: Hear, hear!

On motion, that the Committee rise and report having passed a certain resolution and recommends that a bill be introduced to give effect to the same, Mr. Speaker returned to the Chair.

On motion, report received and adopted.

On motion, resolution read a first and second time.

Motion, the hon. the Minister of Finance to introduce a bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending The Thirty-First Day Of March One Thousand Nine Hundred And Eighty And For Other Purposes Relating To The Public Service," (Bill No. 39),

On motion, Bill No. 39, read a first, second and third time, ordered passed and its title be as on the Order Paper.

MR. SPEAKER: (Simms)

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, I have received a message from His Honour the Lieutenant-Governor.

MR. SPEAKER:

This message is addressed to the hon. the Minister of Finance, "I, the Lieutenant-Governor of the Province of Newfoundland transmit supplementary estimates of sums required for the Public Service of the Province for the year ending the 31st. March 1979 by way of supplementary supply and in accordance with the provisions of the British North America Act of 1867 as amended I recommend these estimates to the House of Assembly. Signed Gordon A. Winter, Lieutenant-Governor."

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, I move that the message of His Honour, the Lieutenant-Governor be referred to a Committee of Supply.

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

MR. CHAIRMAN: (Baird)

Order, please!

RESOLUTION:

That it is expedient to introduce a measure to provide for the granting to Her Majesty for defraying certain expenses of the Public Service for the financial year ending the 31st. day of March, 1979, the sum of forty-one million one hundred and fourteen thousand dollars (\$41,114,000).

MR. CHAIRMAN: (Baird)

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, the Supplementary Supply Bill amounts to over \$41 million and this total amount relates to the special warrants which were requested and which were previously tabled in this House. I do have details available but I do not think it is necessary at this point to go through them. The details were gone over at the time these special warrants were tabled. In the schedule there is the amounts laid out for each department in this matter.

MR. CHAIRMAN:

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

MR. SIMMONS:

Mr. Chairman, Bill No. 30, the so-called Supplementary Supply Bill would provide the necessary rubber stamp,

MR. SIMMONS: but at the same time a necessary rubber stamp for \$41 million incurred in Supplementary Supply by way of warrants and so on. and it is relating to expenditures that were incurred prior to March of '79, up to and including March of '79. There are a couple of fairly large expenditures there. The one in Industrial Development, I presume, relates to the Linerboard. Is that a fair assumption? Otherwise, Mr. Chairman,



MR. SIMMONS:

I think we have had fairly adequate opportunity to debate these amounts already and for our part we do not intend to delay the proceedings insofar as Bill No. 30 is concerned.

On motion, that the Committee rise and report having passed the Resolution and recommend that a bill be introduced to give effect to the same, and ask leave to sit again, Mr. Speaker returned to the Chair.

On motion report received and adopted.

On motion, Resolution read a first and second time.

Motion, the hon. the Minister of Finance to introduce a bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending The Thirty-First Day Of March One Thousand Nine Hundred And Seventy-Nine And For Other Purposes Relating To The Public Service," carried. (Bill No. 30).

On motion, Bill No. 30 read a first, second and third time, ordered passed and its title be as on the Order Paper.

On motion, that the House resolve itself into a Committee of the Whole to consider certain resolutions, Mr. Speaker, left the Chair.

MR. CHAIRMAN: (BAIRD): Order!

MR. MARSHALL: Bill No. 35

A bill, "An Act To Authorize The Raising Of Money  
By Way Of Loan By The Province."

RESOLUTION

That it is expedient to bring in a measure to  
authorize the raising from time to time by way of loan on the credit  
of the Province the sum of one hundred and sixty million dollars  
(\$160,000,000) and such additional sum or sums of money as may be  
required to retire, repay, renew or refund securities issued under  
any Act of the Province.

MR. CHAIRMAN (BAIRD): Shall the resolution carry?

DR. J. COLLINS: Mr. Chairman.

MR. CHAIRMAN: The hon. Minister of Finance.

DR. J. COLLINS: A word about the amount there. The  
resolution states that the amount of the Loan Bill is \$160 million.  
The Budget indicated that there would be a deficiency, a combined  
deficiency on current and capital account of just slightly less than  
\$137 million.

Now, the government entered this fiscal  
year in a pre-borrowed condition to the extent of \$50 million U.S.  
or \$58 million Canadian. On the other hand, the Province has out-  
standing Treasury Bills to the amount of \$65 million. These  
debts were incurred at a rate of borrowing at \$5 million for a  
total of thirteen weeks.

Now, this has been the practice for sometime,  
to undertake short-term credit in this way because the rate of interest  
on short-term usually has been less than that on long-term credit.  
However, the terms are such that now this is no longer true, and  
short-term credit rates now are tending to equal and sometimes  
actually exceed long-term debt. So it is the government's intention  
to call in the short-term debt in the amount, as I have mentioned, of \$65

Dr. Collins: million, so this will have to be borrowed and, therefore, added on to our long-term debt.

The long-term debt is finally extended a little further by a sum, I think it is \$16 million, bringing it up to the total of \$160 million, because, of course, the Budget cannot be absolutely precise and, therefore, a certain amount of flexibility is required. This amount of flexibility -

AN HON. MEMBER: (Inaudible).

DR. COLLINS: Hon. members will note that in previous years, and this goes back a long, long time, there tended to be a greater margin of flexibility than this year. This is probably the smallest margin of flexibility that this House has been asked to vote for many years. And, of course, in the 1960's, hon. members will recall that most of the borrowing was carried out in this Province without actually getting the authority of the House to do so in a prior fashion.

So this \$16 million is available to us, it may not be used, and if it is to be used, of course, as all the borrowing will take place, it will be brought before Cabinet in the first instance. But we need the \$16 million as a cushion or as an amount of flexibility that will allow us to meet our commitments as the year goes by.

SOME HON. MEMBERS: Hear, hear!

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

MR. SIMMONS: Mr. Chairman, first of all before just saying a brief word to this particular bill, perhaps it is the time for somebody to say aloud what all of have been mumbling for years and that is that somebody, the people at the Table, and perhaps the Government House Leader (Mr. Marshall) ought to rationalize this procedure that we have been through on Money Bills. It seems that most of the things that we do in this House have some reason. If you search back into history you will find some reason for it. But on this one I can find nobody, no parliamentary authority who can find any rhyme or reason for what we have been doing, no reason of protection of the public purse, no reason at all for the kind of procedure that

MR. R. SIMMONS: we have gone through. It all seems so meaningless, I would hope that somebody could set their minds to rationalizing this before the next time round because it must seem particularly ludicrous if you sit from the gallery and watch it. It is ludicrous enough down here but we have seen it many times and we have seen it three times, I think, already today. But it certainly needs to be rationalized, Mr. Chairman, and the Government House Leader (Mr. Marshall) would do a great service to us all if he did something about it.

Mr. Chairman, I am expecting something else from the Government House Leader. It is twenty minutes to five and we go into the Late Show at 5:30 p.m. and we have given notice that we would like to get on to the other bills about advertising, insurance and so on. But at the same time, Mr. Chairman, -

MR. S. NEARY: We could meet tonight.

MR. R. SIMMONS: I would be prepared to meet tonight if the Government House Leader would now make the same speech on the province's debt that he made from that corner over there so many times when he was a government backbencher. I now ask him to tell us where he stands now on the increasing debt of the Province, a debt that is up around or over \$2.5 billion? What are his views now? What is he doing now that he is on the inside to keep down the public debt? Now he can sit there very calmly, Mr. Chairman, notwithstanding the speeches he made such a short while ago, he can sit there very calmly now and hear the Minister of Finance (Dr. Collins) say 'Well it is only \$160 million, you know, we only asked for \$137 million but we thought we would ask for a few more million. You never boys, we might need it, let us cover all our bets.' These people, Mr. Chairman, talk about money as though it is not their own and that is their problem, they are spending somebody else's money, and it does not matter so much, it seems. I have never seen, Mr. Chairman, such blatant disregard for public trust as emanates

MR. R. SIMMONS: from that hon. crowd when they talk about money matters. Let us have an extra session tonight to hear the member for St. John's East (Mr. Marshall). I would even go so far as to suggest the House give him special leave to go back and actually read from Hansard despite the rule about not reading your speeches, even if he never had time to make up a speech for tonight, let him take the Hansard of a couple of years ago where he made that speech about debt of the Province and let us let him read the speech. I am prepared to sit here the hour or so. Surely, he has not changed his position, Mr. Chairman, Surely the speech is still up to date, Surely he is not going to tell us that he has had one of those -

MR. S. NEARY: Born-again (inaudible).

MR. R. SIMMONS: - Damascus Road trips in the reverse order. Surely, he has not gone from light to darkness, Mr. Chairman.

MR. STAGG: (Inaudible) us all.

MR. R. SIMMONS: Was that Lot or the wife just spoke?

AN HON. MEMBER: You would not know it unless you tasted it.

MR. R. SIMMONS: Mr. Chairman, I suggest that my colleague quit while he is behind. Mr. Chairman, I would really like to know where the member for St. John's East stands now on the issue of rapidly accumulating debt because I have news for him, it is accumulating even more rapidly. It is getting bigger! The per capita debt of this Province is larger now than when he made his speech two years ago. Indeed, the only adjustment he need make in his speech is in the figures. The figures are larger, perhaps his concern is larger. I have not heard much about it lately, is that his price for being in Cabinet? Or will, Mr. Chairman, he take his marbles again and go home as he did once before. I thought, initially, it was on a matter of principle. He told us it was a matter of principle, it had to do with the government's handling of public tendering. But then when I heard his song and dance during the last year or so on public tendering, I fail to see what principle he quit over. Will he again take his marbles and go home?

MR. R. SIMMONS: Is he biting his lip these days on the matter of debt? Or will he stand today and tell us he is as appalled now as he was two years ago about the debt position of the Province?

MR. R. SIMMONS: And then, Mr. Chairman, I hear the Minister of Finance (Dr. Collins) say, 'You know, it is only \$160 million.'

MR. SIMMONS: And then he says, "Now, in the 1960's they used to do it this way, in the 1960's they used to do it this way". Of course, he is talking about those dirty Liberals again. "In the 1960's they used to do it this way". Mr. Chairman, to listen to the Minister of Finance, to paraphrase him rather broadly to make my point, it is as though he were saying to us, you know, in the 1960's we used to kill women and children, now we only kill children. How, Mr. Chairman, if there was a wrong in the 1960's how, Mr. Chairman, can you justify it with what you think to be a slightly lesser wrong but a wrong nevertheless? How can the minister stand there with a straight face and tell us it is okay to keep on borrowing, borrowing, borrowing, because in his view it is not quite as bad as the other way we did it? And perhaps, Mr. Chairman, the minister from St. John's East (Mr. Marshall) or the minister from St. John's South (Dr. Collins), the Minister of Finance, will tell us what 'brother Crosbie' thinks about all this, thinks about their present problem where they have to call in their short-term debt. Why, why? The minister told us why, "Because", he said, "there is no particular financial advantage in doing it that way anymore because the interest rates are about the same now", he says, "the short-term interest rate is indeed about to overcome the other", he said. Why? Back to Crosbie again, are we not? Back to our good friend up in Ottawa, back to our good friend up in Ottawa, 'brother Crosbie'.

AN HON. MEMBER: (Inaudible) hate.

MR. NEARY: You must know a 'savory' (inaudible).

MR. SIMMONS: I neither hate Crosbie nor the member for St. John's North (Mr. J. Carter). I pity both but I hate neither, I hate neither. A good part and an increasing part of this government's woes, Mr. Chairman, as the minister has just illustrated will be rightly blamed and can be rightly blamed on one John Crosbie, and what you have just seen in the minister's statement about interest rates is just the tip of the iceberg, not only for Newfoundland but for all of Canada.

MR. SIMMONS: Mr. Chairman, we have three -  
quarters of an hour, we will give the minister from St. John's East  
(Mr. Marshall) -

MR. NEARY: (Inaudible) run a motor vehicle  
in here in a minute.

MR. SIMMONS: If I ever succeed, it is worth it just  
for that alone.

MR. NEARY: He is rearing to go.

MR. SIMMONS: It has been worth it just for that  
alone.

MR. NEARY: If he accepts your challenge, I am  
afraid I will have to rise to the occasion.

MR. SIMMONS: You might frighten him out of the  
challenge - no, do not tell him that, he will not get up for sure,  
he will not get up for sure.

MR. J. CARTER: Is the member talking to himself?

MR. SIMMONS: Basically at the moment yes, yes, yes, yes.

Mr. Chairman, it is a quarter to five  
and I believe the next three-quarters of an hour will be very properly  
spent if the member for St. John's East will give us his up-to-date view  
on the debt position of the Province.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: I do not usually respond to invitations  
from the Opposition but I cannot resist this one and it will be very  
short and very much to the point, because the hon. member has asked me  
to put my present position - my present position is no different than the day it  
was put down in that corner, and that is to the effect that this  
Province has a horrendous debt that should be the concern of each and  
every citizen in the Province, and each and every word -

SOME HON. MEMBERS: Hear, hear!



MR. MARSHALL:

- I will invite at any given time a debate as to the near and proximate causes and the faraway causes of it, but I do not think this is the point in time, But I do wish it to be on record, since I was invited to say that each and every word that I said then I endorse now, and I feel that the present government that we have is a government which, in my assessment, is the best able to deal with this as well as many of the other problems

MR. W. MARSHALL:

with which we are grappling. And one of the ways in which it is dealing with it is by this very loan bill itself. For some period of time, even when the Financial Administration Act was changed in 1972, when it was first brought in by this party to require there to be no secret government borrowings but it be before the Legislature it became a device of the civil servants in this building to build a cushion into the loan bill so that every year we were borrowing extra amounts beyond that which were authorized in the estimates themselves. We had what they called 'a cushion'. For reasons which we need not go into, this cushion was allowed to go for year after year but the cushion this year, as a result of the Peckford administration, has been very much deflated, as a matter of fact to all intents and purposes, it is non-existent.

This loan bill is for \$160 million; \$137 million of this is fresh borrowings that have been debated in the Budget. The other \$7 million which will bring the total up to \$144 million is to repay short-term borrowings. The \$50 million cushion is no longer there; it is going to be transferred to long-term debt at lower interest rates than the temporary borrowings that were done. So we get to \$144 million, The cushion now is nearly \$16 million which we are going to watch like hawks but which is not unreasonable when you consider it is really less than, I believe, or just about a little over one per cent of the Budget itself. This is one of the things that this government is doing with respect to the public debt. It is insisting that the government only borrow, just be empowered to borrow just slightly more than the amount authorized in the estimates and if any more is needed then we will come back to this House of Assembly which is the proper and appropriate place to determine and give the final say as to when monies are being borrowed and then

MR. W. MARSHALL: only after a government has laid forth its programme to justify and warrant that borrowing. So that is one thing that the Peckford administration is doing -

SOME HON. MEMBERS: Hear, hear.

MR. W. MARSHALL: - and that you will see by this bill and it is one measure and one reason why this hon. member humbly stands proudly with the Peckford administration in its effort to grapple with this continuing horrendous problem, the public debt, as well as the many others upon us by the previous, previous administration namely.

AN HON. MEMBER: That is the Smallwood administration.

MR. CHAIRMAN: (Baird) The hon. member for LaPoile.

MR. S. NEARY: Mr. Chairman, if my hon. friend, who just took his seat, told us that he is humbly proud to stand with the Peckford administration on this borrowing bill and on the dealings with the debt of the Province, he was not prepared to stand with the Moores administration. You know, the hon. gentleman, Sir, has changed in a few months.

MR. R. SIMMONS: No, 'Steve', for a while until they tripped him up.

MR. S. NEARY: For a while, that is right. The hon. gentleman must have gone to one of these charismatic meetings and got saved and was born again.

Mr. Chairman, the hon. gentleman - Sir, if members paid attention to what he just said, did some pretty fancy figure skating on thin ice. The hon. gentleman has a technique that is unusual in this House, unusual in any Legislature, I suppose, in the world. The hon. gentleman gets up the other day in this House and admits that a mistake was made in squandering \$110 million on setting off two explosions on either side of the Strait of Belle Isle. That was a mistake the hon. gentleman said, a mistake, gets up, admits its a mistake. You would never say he was a member of the Cabinet, you would never say he is President of the Council.

MR. S. NEARY: He tells us that the mismanagement of the Marystown Shipyards was a mistake. Now he is up telling us in the statement he made that the present position of our provincial debt is horrendous, it is horrendous, yet the hon. gentleman does nothing at all about it. The hon. gentleman makes wild and irresponsible statements as if he was not a member of the administration. He is one of the senior members of the government, the President of the Council. And he gets up and makes wild and irresponsible statements and he will get picked up by the Evening Telegram probably tomorrow who will give him a big headline and that is why he says these things. There is no more sincerity in it than there is in that microphone there in front of me, Sir, no more sincerity, it is all done for publicity purposes.

He is trying to assert his independence. Why do the editorial writers of the Evening Telegram not say: that particular gentleman is President of the Council, a senior member of the Peckford administration? Why does he not do something about the public debt instead of letting it reach the horrendous proportions as the hon. gentleman describes it? Because, Mr. Chairman, that hon. gentleman has sat on that side of the House for the past several years when the provincial debt in this Province has tripled.

MR. J. CARTER: Joe Smallwood (Inaudible)

MR. S. NEARY: Yes. You know, we are told, Mr. Chairman, we are not allowed to talk about the past and we just heard the hon. big galoot from St. John's East (Mr. W. Marshall) tell us it is all Mr. Smallwood's

MR. NEARY:

fault, it is all Mr. Smallwood's fault. We are told to forget the past, step forward with Peckford, forget all about the past. We are not allowed to mention the six or seven years of Tory administration in this Province, but they are allowed to talk about the Smallwood years.

AN HON. MEMBER: Crying about (inaudible).

MR. NEARY: The fact of the matter is, Sir, when Mr. Smallwood was kicked out of office back on June 18, 1972, the total public debt, the total provincial debt in this Province was between \$700 and \$800 million, total direct and indirect -

MR. J. CARTER: He left us (inaudible).

MR. NEARY: Mr. Chairman, if you take all the commitments and put them together - Mr. Chairman, Joey Smallwood did not make the commitment to set off these two explosions on either side of the Strait of Belle Isle.

AN HON. MEMBER: Who set up the Linerboard?

MR. NEARY: Who nationalized the Linerboard mill, who nationalized it, right on the brink of it being started up by private enterprise, who nationalized it and spent \$500 million of taxpayers' money on it? Was that Mr. Smallwood who did that?

AN HON. MEMBER: (Inaudible).

MR. NEARY: Mr. Chairman, that is sheer nonsense, Sir. They have been telling us for the last seven or eight years in this House that the Linerboard mill was in the wrong place; it was put in the wrong place, they were telling us. Now, the other day, yesterday, they were telling us it is ideally located for a paper mill.

AN HON. MEMBER: (Inaudible) paper mill.

MR. NEARY: Mr. Chairman, it does not make any difference where you put a paper mill in Newfoundland, it is in the right place.

MR. WINDSOR: (Inaudible).

MR. NEARY: The hon. 'Mount Pearl Arena' laughs at that, laughs at it. What about all the pulp that is transported across the Atlantic to keep the mills going over in England and in Europe?

MR. J. CARTER: What about all the pulp we have to listen to here?

MR. NEARY: If you followed, Mr. Chairman, the logic of hon. gentlemen then steel mills should be built where the iron ore is. We do not see a steel mill down in Labrador. The fact of the matter is that the Linerboard mill was ideally located. It was put in the ideal position in Newfoundland.

MR. J. CARTER: For Labrador wood?

MR. NEARY: Yes, for Labrador wood. Labrador wood has been exported, has been taken from Labrador and brought across the Atlantic to keep the pulp mills in England and in Europe operating.

AN HON. MEMBER: (Inaudible).

MR. NEARY: Beg your pardon?

AN HON. MEMBER: Pulpwood for Linerboard?

MR. NEARY: Yes, and for Linerboard. The fact of the matter is, Sir, that this crowd mismanaged the Linerboard mill, they mismanaged it and they are afraid to give us an accounting in this House for the money they squandered on it, for the mistake they made in nationalizing it, and I did not want to bring up Linerboard this afternoon but somebody over there reminded me of it.

MR. MORGAN: Tell us about Egret.

MR. NEARY: Yes, I can tell the hon. gentleman the latest developments - I will tell the hon. gentleman the latest developments about Egret if he wants to hear them. I can tell the hon. gentleman that Egret in Bermuda - their affairs are behind handled

MR. NEARY: by a firm in Bermuda well-known throughout the world. Their affairs are being handled by this firm in Bermuda and in St. John's, Newfoundland, a branch of that same company is handling the affairs of Mr. Frank D. Moores. A branch of that company. That is a coincidence for you, that is really a coincidence. What is the government doing about that if hon. gentlemen want to know about Labrador Linerboard?

MR. NEARY:

And what are honourable gentlemen doing about the statement that was made to the Corporal of the RCMP that went to San Francisco two weeks ago and took a statement from a salesman from Sterling International, the man who sold a number of shipments of linerboard from the Linerboard Mill out in Stephenville including the one that went to Ghana when I tabled the documentation in this House? What is the government doing about these statements? This particular salesman, a man by the name of Ingal Shareen, who is a Swede and an honourable man, made a statement that Sterling International was forced to put \$55 a ton on linerboard in this secret account in Bermuda, Egret, for two people here in Newfoundland.

AN HON. MEMBER: (Inaudible) outside the House.

MR. NEARY: Yes, Sir, I have said it outside the House. I will say it on top of the House, down in the basement, that not only his company but three other companies that he can name were told that this money had to go in this secret account in Bermuda for two gentlemen here in Newfoundland whom I will not name now but I can if I want to.

AN HON. MEMBER: You have not told us anything new.

MR. NEARY: I have not told the hon. gentlemen anything new. I see. Well that is new, Sir, that came from the lips of the salesman that sold that shipment of linerboard. Well what is the government doing about it? I cannot even get answers from the Minister of Finance (Dr. Collins) to questions that I put on the Order Paper in connection with Labrador Linerboard. And the minister today tried to leave the impression with the House that I have got the Department of Finance in turmoil, under tremendous strain. Oh, they are working night and day trying to get answers to questions. One of the questions on the Order Paper -

MR. SPEAKER (BAIRD): Order, please!

MR. NEARY: Okay, Sir, if you want to make your announcement.

MR. SPEAKER: Thank you hon. member. It being five o'clock and according to Standing Order 31 (g) I can inform the House that I have received notice of three matters for debate at five-thirty when



MR. SPEAKER (BAIRD):

a motion to adjourn will be deemed to be before the House.

Notice given by the hon. member for Bonavista North (Mr. Sterling) arising out of a question asked of the hon. the Premier and the subject matter is the Homeownership Assistance Programme.

Notice given by the hon. member for LaPoile (Mr. Neary) arising out of a question today asked of the hon. President of the Council and subject matter is increase in vandalism, crime and teenage drinking.

Notice given by the hon. member for Eagle River (Mr. Hiscock) arising out of a question asked of the hon. the Premier and the subject matter is Labrador.

MR. NEARY: If I may continue, Sir. So, Mr. Speaker, I hope hon. gentlemen, Sir, have not got the face over there to talk about Labrador Linerboard when all these matters are being laid out in this House. None of the charges or allegations that I have made have been denied. They have not been clarified. The Minister of Finance (Dr. Collins) - one of the questions that I started to say, one of the questions on the Order Paper is, table the contract. I said to the minister, I asked him orally, I asked him on the Order Paper, table a contract with a company called Schurfeld in Hamburg, Germany that had a contract with Labrador Linerboard to market linerboard in Europe, table the contract. Now, how does that put a strain on the staff down in the Finance Department? All the hon. gentleman has to do is say to somebody, Go out in the files of Labrador Linerboard and xerox a copy of the contract so I can bring it up and table it in the House. The trouble is, Sir, they do not want to give me the answers. They do not want to provide the answers. So I have to go through the routine again of who Schurfeld is, what the problem is. Do I have to go outside the House to get the information? Three weeks ago I asked that question, table the contract, and the minister has refused to give it to me.

Mr. Speaker, I got sort of sidetracked there onto Labrador Linerboard but I am glad I did because I hope I gave

MR. NEARY:

the hon. gentleman a little piece of information that might open up his eyes, that might make him put a little pressure on his colleagues and on the Minister of Justice (Mr. Ottenheimer) to have a public enquiry into the operations of Labrador Linerboard from the time the government nationalized it until they closed it down. It would be very worthwhile. It is a black mark on our record in this Province and it is something that is going to have to be dealt with sooner or later. And it is more than a coincidence, it is more than just a coincidence that this same firm in Bermuda a branch of this company in Bermuda should be handling the affairs of Egret and another branch of the same company in St. John's handling the affairs of Mr. Moore's company, SSP Holdings Incorporated.

MR. NEARY: That is more than a coincidence. My hon. friend, if he went to court, I am sure could win a case on that kind of evidence. It may appear to be circumstantial but there is a little more to it than that. So the government would be well-advised instead of making snide remarks about Labrador Linerboard if they had a public inquiry into the operation of that mill when the government took it over. Why not? If I am wrong, I am wrong. If the government have nothing to hide why would they not have a judicial inquiry? Why would they not have it? We had a judicial inquiry into a couple of television sets - no, one television set. We are having a commission of inquiry into a leak over in the police department.

MR. J. CARTER: And welfare on Bell Island.

MR. NEARY: Yes, we have had commissions of inquiry into just about everything that you can name except the biggest scandal in Canadian history - the operation, the mismanagement and the scandal and the corruption involved with Labrador Linerboard. And they sit there day in and day out, week in and week out; they do not answer the charges.

AN HON. MEMBER: They will not resign (inaudible).

MR. NEARY: No, I do not want them to resign. And the Premier tells us, 'We are going to deal with Bob Cole's contract,' that is \$500,000 or so; they are going to deal with Mr. Nutbeam, the Premier's brother-in-law, that is \$200,000; they are going to deal with all the small things. In other words, the present Premier is going to pick and choose the things that he is going to deal with. He is not going to deal with the big items, he is going to try to portray the impression in the Province that he is a man of integrity and honesty and he is going to level with the people, but he is going to pick and choose the items on which he is going to level with them and he is going to ignore the big scandals, the gigantic scandals like Labrador Linerboard. But the message is getting through, Mr. Chairman - the message is filtering through to the people of this Province.

MR. NEARY: Anyway, Sir, I started out talking about the present financial position of the Province. And the hon. gentleman in his few remarks mentioned, 'Oh, they only need \$16 million more than they are going to borrow,' - a tidy little slush fund. The hon. gentleman can give us no details at all of how they are going to spend that \$16 million, they are going to put it away just in case we need it - a little pocket money, \$16 million, a tidy little slush fund, Sir. Well, Mr. Chairman, the fact of the matter is that the people of this Province are getting wise to comments and remarks like the ones made by the President of the Council (Mr. Marshall). It is an horrendous debt. And tomorrow his picture will be there and big banner headlines: 'The President of the Council, a member of the Cabinet, says it is an horrendous debt,' but you will not see an editorial inside saying, 'He happens to be a member of that Cabinet and what is he doing about it?' And he was there the six or seven years that this crowd tripled the provincial debt in this Province. And I would not mind the debt tripling if we had something to show for it, but we do not have one thing to show for it. That is the shame of it, Sir.

MR. STAGG: Why not take a part of his salary?

MR. NEARY: No, Mr. Chairman, I cannot stand hypocritical nonsense and statements, I just cannot take it, Sir. And that is what it is. It is the lowest form of hypocrisy, that is what it is. And I hope now that those up over my shoulder who fall into that trap every time will ask themselves, Is that man an independent? Is he a private member of the House? Is he a member of the Opposition or is he a member of the Cabinet? And if he is and he is making statements like that, then what is he doing about it?

On motion, resolution, carried.

On motion, enacting clause, carried.

Motion, that the resolution be submitted to a Committee of the Whole House, carried.

On motion, title carried.

On motion, Clause 1, carried.

MR. CHAIRMAN: (Baird)

Shall Clause 2 carry?

MR. ROBERTS: Your Honour, before we get into Clause 2 - maybe I am out of order, so let me go ahead out of order. Could we agree - I have consulted my colleagues and we will agree on our side not to rise the Committee at 5:29.5 P.M. to do the Late Show if the government wish to go ahead as well, you know, in the interests of giving the Finance Bills consideration.

MR. MARSHALL: Does that mean that you do not want to go on with - or we will not go on with the Late Show?

MR. ROBERTS: I did not phrase it very well, obviously, Sir. We will waive the Late Show and go on to 6:00 P.M. with the Finance business, whatever the government intend to call.

MR. MARSHALL: Thank you, Mr. Chairman.

MR. CHAIRMAN: (Baird) It has been mutually agreed that we will waive the Late Show and carry on with the business.

MR. ROBERTS: Clause 2 can now carry, having debated it at length.

On motion, Clauses 2 through 5, carried.

On motion, enacting clause, carried.

A bill, "An Act To Authorize The Raising Of Money By Way Of Loan By The Province."

On motion, title carried.

MR. CHAIRMAN: (Mr. Baird)

Order!

Bill No. 34.

RESOLUTION

That it is expedient to bring in a measure further to amend The Local Authority Guarantee Act, 1957, to provide for the guarantee of the repayment of loans made to, and the advance of loans to certain Local Authorities.

MR. CHAIRMAN:

Shall the resolution carry?

The hon. Minister of Finance.

DR. COLLINS:

Mr. Chairman, this is the annual amendments to this particular Act and it includes the names and the amounts of all municipal capital works guaranteed bank loans issued during the fiscal year up to March 31, 1979. The total this year in this amendment is just over \$31 million and that compares with just over \$15 million in 1978 and nearly \$24 million in 1977. These are the guaranteed bank loans that are issued to municipalities to finance capital works such as water and sewer and roads and so on. Now, these amounts in the schedule there are the maximum amounts that each municipality may use for the approved projects, and they are usually guaranteed for one to three years and, subsequently, the amounts are converted into long-term debt by the N.M.F.C., the Newfoundland Municipal Finance Corporation. At that time the debt is converted into long-term that is usually of the order of something like twenty years

On motion, resolution, carried.

On motion, enacting clause carried.

Motion, that the resolution be submitted.

to a Committee of the Whole House, carried.

On motion, clause 1, carried.

On motion, enacting clause, carried.

A bill, "An Act To Amend The Local Authority Guarantee Act, 1957."

On motion, title carried.

MR. MARSHALL: Motion 5. Or should we call Motion 1, the Tobacco and Gasoline and get those over and get into the others.

MR. ROBERTS: (Inaudible) I can tell my learned friend opposite -

MR. CHAIRMAN: (Mr. Baird) The hon. member for the Strait of Belle Isle.

MR. ROBERTS: - Mr. Chairman, that it is our intention to debate the Insurance Tax, we have a few things we wish to say about that, and we have a few more things we wish to say about the Advertising Tax. Now I notice Motion 3 and Motion 5, I think, really should be combined in one. I think they were put down when the government were thinking of a separate bill. Maybe what we could do is consider the Tobacco and Gasoline ones because I think other than my friend from Torngat (Mr. Warren) who wishes to say a word on the Gasoline, we really have very little we wish to say and then perhaps we could do the Insurance one and leave the Media one till after that.

MR. MARSHALL: I call then motion 1. That is tax, the Tobacco Tax.

MR. CHAIRMAN: Order! Bill No. 37.

MR. ROBERTS: (Inaudible) depend on what order we take it.

RESOLUTION

That is expedient to bring in a measure to amend The Tobacco Tax Act, 1978.

On motion, resolution carried.

On motion, enacting clause carried.

Motion, that the resolution be submitted to a Committee of the Whole House in relation to a measure respecting the Tobacco Tax, carried.

On motion, clauses 1 and 2, carried.

On motion, enacting clause, carried.

August 16, 1979

Tape No. 882

GH-3

A bill, "An Act To Amend The Tobacco  
Tax Act, 1978".

On motion, title carried.

MR. CHAIRMAN: (Mr. Baird)

Bill No. 44.

RESOLUTION:

That it is expedient to bring in a measure  
to amend The Gasoline Tax Act, 1978.



MR. CHAIRMAN (BAIRD): Shall the resolution carry?

The hon. Minister of Finance.

DR. COLLINS: Mr. Chairman, I understand one of the hon. members opposite wishes to comment on this and possibly the best way of handling it would be really to let him make his comments and then if there is a question that needs to be answered I would certainly attempt to do so. But just very briefly, up to now airplane gasoline or gasoline used in the aircraft for commercial purposes has not been taxed in this Province. Now, in actual fact, gasoline used in aircraft of a private nature has been taxable. I do not think in all instances that the tax was being collected. I think that this was, shall we say, a technical problem but that is not now so. This technical problem has been solved and private aircraft are now being taxed under the Retail Sales Tax Act at 11 per cent. But commercial aircraft were not taxed, they were excluded.

Now, this amendment to the Gasoline Tax Act will bring these into a taxable position. But the amount of tax that is levied is less than the amount that is levied on other forms of transportation under the Gasoline Tax Act. Section 3 (1) indicates there what that tax is and it is equivalent actually to twenty-five cents a gallon. We are now, of course, in the metric era so this is expressed in terms of litres, six cents a litre. That is the equivalent of twenty-five cents a gallon. That is the amount of tax one pays in automobiles and so on.

Now, under this amendment in Section 2, commercial aircraft are taxed at a different rate. They are taxed at the equivalent of three cents a gallon or as it is stated, seven-tenths of a cent per litre. However, this is not applied to Trans-Atlantic flights. This is in order not to in any way interfere with the progress of aviation services which are very beneficial to the Province at Gander and to some extent at Goose Bay and possibly at some time to the airport here in St. John's, if that gets international status. So those are excluded from it by the terms of this Act.

DR. COLLINS:

Also, this Act in no way relieves private aircraft from the full brunt of the tax that is now in place, that is 11 per cent. The private aircraft will still be assessed at 11 per cent, commercial aircraft at three cents a gallon and the Trans-Atlantic flights not subject to the tax.

MR. CHAIRMAN (BAIRD): The hon. member for Torngat Mountains.

MR. WARREN: Mr. Chairman, earlier the President of the Privy Council said that this government was worried about the debt of the Province. They go ahead and bring in a three cent per gallon increase on aviation gas. They may be worried about the debt of the Province, Mr. Chairman, but they are also forgetting people in sections of this Province whose only means of moving, the only way to get to some sections of this Province, is by aircraft. They do not have roads so they cannot get aboard a car and drive there. You cannot get aboard a boat and go there only in three or four months during the year.

MR. G. WARREN: The Labrador Airways, the regional operation in Goose Bay that services all of Labrador, this three cents per gallon will mean an extra \$22,000 to that company, an extra \$22,000 to that company. And what is going to happen if that company passes that along to the consumer? Now, is this government worried? Is that where the worry comes in? \$22,000 that - there are people in Labrador, there are people on Fogo Island who have to depend on aircraft, people on St. Brendan's Island, Harbour Deep, many more places throughout Newfoundland where people have to rely on aircraft and here we get three cents a gallon placed on,

Already this government is subsidizing Labrador Airways to the tune of \$90,000. Because there is not enough revenue to keep this aircraft operation in existence - they can not survive on the amount of money that they collect from the passengers - already this government is subsidizing them \$90,000, so in fact, what they are doing is putting another \$20,000 on their own subsidy and they are worried?

Mr. Chairman, I believe that this government should, immediately, if not abolish this altogether, abolish this bill completely, the least thing they can do, really, if they bring this bill in is to say, okay, the areas of the Province that have to solely rely on air transportation will not be affected. That is a consideration this government should take. Now the areas of the Province that have to solely rely on air transportation should not be affected. It is a very serious consideration that this government should give. There are sections of Labrador, sections of Bonavista Bay, Harbour Deep, sections around this Province where the only way that a resident can move back and forth is by aircraft.

Mr. Chairman, I also understand that this three cents per gallon is going to cost Eastern Provincial Airways in the vicinity of \$200,000, and this government say they are worried? I can not stress how important it is. In order to move around in the remote areas of the Province it has to be by aircraft, and by putting

MR. G. WARREN: three cents per gallon on the companies that operate aircraft in this Province we are definitely putting it onto the consumer because no company is going to absorb the loss, it is going to be passed along to the consumer.

It was only a few days ago that I mentioned about the cost of ambulance service from Nain to St. John's. How much more is it going to cost? Because EPA is going to put up their rates, Labrador Airways is going to put up their rates and still the consumers will have to pay it.

Mr. Chairman, it is a ridiculous tax, it is a tax that should not be instituted at this time. It definitely should be deferred and definitely should be seriously looked at by this government.

SOME HON. MEMBERS: Hear, hear!

DR. J. COLLINS: Mr. Chairman.

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

DR. J. COLLINS: Mr. Chairman, I think a few points should be made, I suppose, in rebuttal or at least in comment on the hon. member's remarks. Firstly, I believe Newfoundland and Labrador is currently the only province which does not levy an aviation tax. So this is not something new or unique. As a matter of fact, it is for us possibly but certainly not in the Canadian context.

The other point is that up to now aircraft travel really had a special deal. No

DR. COLLINS:

other form of transportation whereby petrol or gasoline was required was free of some sort of fuel tax. So, in a way, up to now the aircraft travel was especially exempt and we are now merely correcting this and we are not really correcting it to the full level that other forms of transportation are subject to tax. Other forms of transportation, as I mentioned, are subject to a tax at a rate of twenty-five cents a gallon. Aircraft are going to be subject to it at a rate of three cents a gallon. Whereas there has been some righting of the balance, shall we say, it is still not fully righted. I can assure the hon. member that this was not aimed specifically at Labrador by no means. Most of the return to the Province will not come from travel by aircraft in regard to the Island, to Labrador. Most of it will come from other forms of travel, that is from the Island part of the Province to the Mainland and so on and so forth. I certainly can agree with the hon. member that no tax is desirable and that it will impact on the people in Labrador who do have to travel but I am sure this government will remain sensitive to the special needs in Labrador, as they have shown in many directions already, and if there is a particular hardship that cannot be borne, I think the hon. member can be reassured that this government will be sensitive to it.

On motion, resolution, carried.

On motion, enacting Clause, carried.

Motion, that the resolution be submitted to a Committee of the Whole House in relation to a measure respecting the Gasoline Tax Act, Carried.

On motion, title, carried.

MR. ROBERTS: Mr. Chairman, we just wish to record our opposition to this if it simply could be noted - I am sorry, the minister of whatever he is wanted to say something?

AN HON. MEMBER: It is okay.

MR. ROBERTS: If it could simply be noted, you know - I do not care whether it is on Clause 1 or on the resolution or what - we are against this particular imposition of taxes and we wish to record our

MR. ROBERTS:

opposition simply by noting on division. We could divide the Committee but that is just a needless waste of time because the hon. gentlemen opposite, there are more of them here than there are of us. They are no better than us but there are more of them.

On motion Clauses 1 through 3, carried.

On motion enacting Clause carried.

A Bill, "An Act To Amend The Gasoline Tax Act, 1978.

On motion, title carried.

MR. CHAIRMAN (MR. BAIRD):

Order!

Bill No. 45.

RESOLUTION:

That it is expedient to bring in a measure to amend The Insurance Companies Tax Act.

MR. CHAIRMAN: Shall the resolution carry?

MR. ROBERTS: What was the bill number?

MR. CHAIRMAN: No. 45.

The hon. Minister of Finance.

DR. COLLINS: Mr. Chairman, this -

MR. SIMMONS: A point of order. Perhaps in fairness to the Committee we ought to have copies of the bill. I, at this point in time, do not even have a copy of the bill.

AN HON. MEMBER: They were distributed.

MR. SIMMONS: No, Mr. Chairman, I religiously keep all my bills and we have no copy of this bill and a number of my colleagues do not have it.

MR. MARSHALL: Mr. Chairman, all I know is that we have copies of the bill over here and we will get them around.

MR. ROBERTS: Yes, we will get them around. I only have one because one of the gentlemen at the Table was kind enough when I muttered I did not. For some reason they may not have been issued. Apparently none of us on this side has it. I will not accuse the government of a deliberate plot but if I wanted to surely the evidence is there.

August 16, 1979

Tape 885

IB-3

MR. CHAIRMAN (BAIRD): Thank you.

They were supposed to have been  
distributed . The Clerk is now in the process of distributing them.

DR. COLLINS:

Mr. Chairman.

MR. CHAIRMAN: (Baird)

The hon. the Minister of Finance.

DR. COLLINS:

Perhaps I can continue to make the remarks whilst the bill is being circulated. I think a point of confusion or a possible point of confusion may first be cleared up.

Mr. Chairman, I have before me a release from the Life Underwriters Association of Canada, and this is addressed to members of the Legislative Assembly, Province of Newfoundland, so I presume that all members do have a copy of this release.

Now, it states in the third line of the release that there is a 50 per cent increase in the premium tax. I do not know whether there was confusion or whether people perceived that there was confusion or whether it was an attempt to confuse, but I think it should be pointed out there are two Acts in our statutes related to insurance, one is an Act respecting the tax upon persons who pay certain insurance premiums, and this is the tax that is commonly referred to as premium tax. Now this premium tax is at a rate of 11 per cent. It does not apply to life insurance or to accident insurance, or sickness insurance or to marine insurance except for private small craft.

Now this amendment that we are bringing in has nothing to do with that Act, that is, the tax upon persons who pay certain insurance premiums, the premium tax. We are not referring to that Act whatever. We are referring in this amendment to the Insurance Companies Tax Act. This is a tax that is placed on the insurance company, it is not placed directly on the individual as the Retail Sales Tax Act is to the individual purchaser of the goods or the service.

SOME HON. MEMBERS:

Oh, oh!

MR. CHAIRMAN: (Baird)

Order, please!

DR. COLLINS:

In other words, if we took this tax to be the same, we would have to hold to the position that there is no difference between say, corporate income tax and retail sales tax, that these are one and the same tax. And this is a bizarre notion. No one would for one minute say that the retail sales tax is the same as corporate income tax.



DR. COLLINS: One is directed to the individual who is purchasing, one is directed to the company.

Now, I am not so naive as not to think that to a large extent the purchaser ultimately is responsible for the tax in either case, but there is a recognizable difference in approach to these two aspects of taxation, otherwise we would not have two separate types of tax such as I mentioned, corporate income tax and retail sales tax.

AN HON. MEMBER: (Inaudible).

DR. COLLINS: The hon. member, I am sure, will have remarks to make at a later stage.

AN HON. MEMBER: (Inaudible).

DR. COLLINS: Well, the hon. member will have his opportunity and I am sure I will look forward to the hon. member's comments because he is clearly familiar in this field. I will look forward to the hon. member's comments eagerly and if he has questions that I can answer, I will be glad to do so.

Now I think that is the first point to be made, Mr. Chairman, and as I say, I do not know if there was any deliberate attempt to make the point with the public that we were dealing with the premium tax and therefore we were increasing that tax by 50 per cent. I do not know if there was any attempt to do that, but if there was, I would certainly deprecate it. It would be misleading to the public if the thought were put around that people who know now that they are paying 11 per cent on certain forms of tax were going to get a 50 per cent increase in that. That is clearly not so.

Mr. Chairman, there has been a great deal of comment concerning this tax - I might add, not so much by those in the insurance field locally.

DR. COLLINS:

We have had a few comments from those individuals who are involved in the insurance industry locally but, in actual fact, most of the comments came from the national companies or from organizations, associations dealing with the national companies. We do not feel that this was unusual. We know that in other regards when the tax on insurance companies was to be revised or to be altered that the national companies, as a group, took vigorous action. We knew this had taken place in the past, we expected it again and it did, in actual fact, happen.

Mr. Chairman, the tax is to be increased by 1 per cent. It is to go from 2 per cent to 3 per cent and, by some peculiar logic, one may say that this is an increase of 50 per cent, that is using as the base for your calculation the previous tax not using as the base the amount you are going to - not using the base the amount you are going to levy the tax on. In other words, the tax is levied on the gross premiums paid to these companies minus their dividends. In other words, it is a form - it is their income, it is the gross income. Previously, 2 per cent of that income was to be levied as this tax, now there is 3 per cent of that income to be levied. This is not an increase of 50 per cent on the total tax there. This was to take 2 per cent of their gross income previously, now it is to take 3 per cent of their income.

Mr. Chairman, it could be asked why should there be this form of tax on insurance companies. It was not, in actual fact, initiated originally at provincial level; it was originally a federal tax which was taken over by the provinces shortly after the Second World War. There was a very good reason for it, Mr. Chairman, because the Corporate Income Tax received from insurance companies, because of the particular nature of the

DR. COLLINS: insurance industry, was extremely small and this tax was levied as a form of or in lieu of Income Tax. Mr. Chairman, I asked the officials in our department just to give me some figures on the tax that we get from insurance companies in this Province. Now I am referring to the tax on the insurance companies, not the tax from the individuals who take out insurance. There is 11 per cent tax there and that is undoubtedly a sizeable sum. I do not have it but if hon. members wish me to get that I would be glad to do so. But how much tax do we get from the insurance companies other than this particular tax, this particular 2 per cent tax which is in force now and proposed to go to 3 per cent. In other words, how much Corporate Income Tax do we get from the insurance companies in this Province?

Before I mention that, Mr. Chairman, I might say we looked at five of the top financial organizations or businesses other than insurance companies, such as trust companies and banks and so on. These five top companies render to this Province just over \$1.5 million. We then looked at the five top insurance companies who wrote property and casualty insurance, and this refers to the year 1976 which is the last year we have the figures for in any detail, the sum there was \$3,803. So the five trust company types of enterprise rendered over a million and a half, the five insurance companies writing property and casualty \$3,800.

DR. COLLINS:

The five top companies writing life insurance, nil. We received not one cent in Corporate Income Tax from the five top companies writing life insurance in this Province. And that is the exact reason why there is an Insurance Companies Tax. Because of the structure of the life insurance industry, in particular, they do not render to the provinces or indeed to the federal government, for that matter, they do not render Corporate Income Tax like the vast, vast majority of other businesses. And the Insurance Companies Tax in view of that is a way, shall we say, of getting around that or getting a fair return.

Now, Mr. Chairman, hon. members realize that the Corporate Income Tax has not remained at the one level. At one time it was 10 per cent. In 1975, I believe it was, it was raised to 12 per cent or shortly before 1975, in actual fact. In 1976 it was raised to 13 per cent and it is now 14 per cent. So there have been increases in the large corporation income tax, Corporate Income Tax applicable to large corporations.

The Insurance Companies Tax is our form of Corporate Income Tax on the insurance business. Now, should, therefore, that tax remain the same when all others are increasing? Should the insurance companies have an unchanging tax when as time goes by other forms of business are required to have increasing tax returns to the Province? I do not see how that could be justified. And that is what this tax does. It increases the equivalent of Corporate Income Tax on insurance companies.

Now, Mr. Speaker, the companies have put forward the point of view that the returns to the Province by this tax will be quite small and indeed it will. I think in a full fiscal year it will be just over \$1 million. In this particular fiscal year it will be about \$770,000 because it is being brought in later than the beginning of this fiscal year. So it is a relatively small return to the Province. And the national companies have put forward the point of view that this will be very difficult for them, very expensive for

DR. COLLINS:

them to administer because whereas the tax rate is uniform across the whole country now, in all provinces, that they will now have to have different rates for Newfoundland, and to do that they will incur large administrative costs.

Mr. Speaker, we have taken that point of view very seriously into consideration and there are a few things I want to say that led us to take the view that that should not stop us from bringing in this tax. The first thing is, Mr. Speaker, in the United States there is not uniformity of the Insurance Companies Tax. It varies from 1.5, I believe, up to 4 per cent. So it is not a uniform rate. It has been suggested that there are only a few states that have this difference, suggesting that there was only one or two. But our researches show us that there have been more than one or two. Oklahoma has 4 per cent; Puerto Rico, not a state, it is a territory I believe, 4 per cent; South Carolina, 3 per cent; Mississippi, 3 per cent; Idaho, 3 per cent; Alabama, 3 per cent; Alaska, 3 per cent; Hawaii, 2.9 per cent. And then there are other changes. Some are actually at 2 per cent as we have been for a number of years, others are below us. So there is a varying rate in the United States. And I do not think anyone will claim that this has wrecked great damage, prevented the viability of the insurance industry in the United States or, indeed, affected their profitability. Now that was one point.

The second point was that this tax, this increase in tax from 2 per cent to 3 per cent was brought into Ontario in 1976 .

MR. NEARY: Then withdrawn.

DR. COLLINS: And it remained in force for two years

DR. J. COLLINS: and as the hon. member says, it was withdrawn. It was not withdrawn, the information we have, and it is documented by the CLIA, the Canadian Life Insurance Association itself, it was not withdrawn because of the expenses of bringing in the new rate book into Ontario, it was withdrawn for reasons quite different from that. Because there was a lot of insurance writing back and forth across border and this was a difficulty for Ontario, it was withdrawn for that reason.

Now, that is not the point I wanted to make. The point I wanted to make, particularly, is that during the two years that it was in effect there, there was no need to bring in a new rate book in Ontario even though the Ontario Life Insurance volume was vastly greater than ours. Ours is of the order of, say, two per cent of the total insurance written in Canada. I do not know what Ontario's is but I would suggest it is something like 50 or 60 per cent. Even though it was something like 50 or 60 per cent, the insurance companies did not need for a two year period, to bring in a new rate book. So I suggest that this particular point is a bit of a red herring and we took the point into serious consideration but we did not feel it was a danger that should have any impact on us in changing our decision or should be a cause of worry to the citizens of this Province on the basis of the facts that we do have at hand.

So in summary, Mr. Chairman, this insurance tax is a form of income tax levied on the insurance companies because the structure of the insurance company is such that corporate income tax otherwise is ineffectual. Corporate income tax in all other regards has gone up. We are now increasing the equivalent of corporate income tax for the insurance companies, we are increasing that. We have determined, to our own satisfaction, that this can be brought

DR. J. COLLINS: in without any great administrative costs to the insurance companies and the information that they themselves have given to us, supports us in that contention. And the total levy which will come from this is quite a modest one, as I mentioned, less than \$.75 million this fiscal year, just over \$1 million in the full fiscal year. Certainly, there will be some impact on the population of this Province. but that amount of levy is quite modest and should cause no one to have any great concern.

SOME HON. MEMBERS: Hear, hear.

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

MR. E. ROBERTS: Now we will get the real story on it. (Inaudible) the minister.

SOME HON. MEMBERS: Oh, oh!

MR. E. ROBERTS: The story, 'Roger', in three lines.

MR. STAGG: Twenty-five words or less.

MR. E. ROBERTS: (Inaudible)

MR. R. SIMMONS: Well, Mr. Chairman, now that my colleague has spoken, am I allowed to speak or should we have somebody from that side next?

Mr. Chairman, I listened very carefully to what the minister had to say and before I get into the substance of the items which I feel ought to be debated in talking about this bill, let us deal with a couple of matters that he mentioned. I must say, he did get some applause from the government benchers and I hope that they were more informed about what he said than either I or he was because, Mr. Chairman, let me read back one of the things he said: He talked about the insurance companies tax and the retail sales tax on the one hand and then set it, by way of analogy, against corporate tax and retail sales tax on the other hand. I ask the Minister of Finance (Dr. J. Collins), does he not know that those companies pay, not only the insurance companies tax, they also pay the corporate income tax? And in order to

MR. R. SIMMONS: follow the logic, whatever there might have been in his statement, you would have to assume that somehow these two taxes were mutually exclusive and not applicable to the same base when, in effect, these companies pay both these taxes.

Mr. Chairman, I learned, also, in listening to the minister, what I shall call for posterity Collin's law of convoluted logic, which goes as follows: One half of one hundred is not fifty or if your argument is not based truth, the villian is truth.

Let me try it, even for the member for Stephenville (Mr. F. Stagg).

MR. STAGG: Deep!



MR. STAGG: Deep - very deep.  
MR. SIMMONS: Very deep.  
MR. BRETT: Give it to us in baby talk.  
MR. SIMMONS: He is going to need it in baby talk,  
and I will give it to him in baby talk.

Two per cent premium of companies  
tax, 2 per cent, now it is going to 3.

DR. COLLINS: That is leaving you 1 per cent.

SOME HON. MEMBERS: Oh, oh!

MR. SIMMONS: Mr. Chairman, the minister before  
his latest incarnation and before the one where he was a deliverer  
of babies rather than budgets, and much more successful I may say,  
before that he must have had the other incarnation that I heard about -  
the businessman in St. John's somewhere who is to have said at one  
point, "Well, I do not know how the fellows make it, I just do not  
know how they make it. They are talking about - I do not know how  
they get away with it - they are talking about 20 per cent mark-up  
on stuff. I just buy it for a dollar and sell it for two,  
straight 1 per cent, straight 1 per cent." Let us not, you know,  
take the time of the House, I mean, the minister either understands  
basic arithmetic or he does not understand basic arithmetic.  
Everybody knows that if you increase from two to three, you increase  
by a unit of one, of course. you increase by a unit of one, you  
increase by a percentage of 50 per cent.

DR. COLLINS: This is not relevant to the  
questions. (Inaudible).

MR. SIMMONS: My good friend from St. George's  
(Mr. Dawe) will be interested in the new 'Collins' math, I am sure.

AN HON. MEMBER: What about the Minister of Education?

MR. NEARY: Is that why we are going to have a Grade XII?

MR. SIMMONS: I ask my good friend, the Minister of Education, is he one of the fellows who got hold of the exams and is that why he is so smart on this subject?

Mr. Chairman, first of all, the minister has made one of the points that I want to make that government is going to an awful lot of trouble to collect a relatively small amount of money of the order of \$700,000 plus in the remainder of this fiscal year and just over a million next year. The minister has also made the point that other provinces have looked at this possible, other provinces had looked at this possible source of revenue and then have turned back and have turned back with very good reason and the minister gave us his version as to why these provinces had turned back. Well, Mr. Chairman, we also have fairly independent research sources, and our sources tell us something quite different than what the minister told the House a few minutes ago, quite different, Mr. Chairman, and I do not believe he was being completely candid with the House when he began to give the reasons why Ontario had backtracked on the percentage increase, or why New Brunswick had gone so far as to introduce it as a budgetary, fiscal measure and then had withdrawn the issue, particularly insofar as life and accident and sickness are concerned. The experience of other provinces, Mr. Chairman, and there are only two in this category, Ontario and New Brunswick, the experience having gone through the budgetary decision is to backtrack, in both cases they have backtracked.

Now, Mr. Chairman, I think an even more significant point is that the minister skated very quickly over the 11 per cent insurance premium's tax, and if he wants to get comfort from other jurisdictions, if he wants to use Ontario as an

MR. SIMMONS:                   example now, I tell him he will find no insurance premium's tax in Ontario of 11 per cent or 10 or 9 or 8 or 7 or 6 or even 1, or he will not find that in New Brunswick or Alberta or Saskatchewan or British Columbia or P.E.I. or Nova Scotia - why? Because only one jurisdiction in Canada, Mr. Chairman, Newfoundland and Labrador, have 11 per cent Sales Tax on insurance premiums. And then, Mr. Chairman, on top of that, the consumer, in effect, and let us not fool ourselves on this, in effect the consumer is paying the 2 per cent insurance companies tax and will pay the proposed 3 per cent tax. So, Mr. Chairman, the tax increase we are talking about for the consumer is not from 2 to 3, and

MR. SIMMONS:

you can call that 1 per cent or 50 per cent depending on whose math you subscribe to in this House, but we are not talking, Mr. Chairman, about an increase of 2 to 3 per cent for the consumer, we are talking about an increase from 13 per cent to 14 per cent, the 11 per cent on premiums and the 2 per cent on Insurance Companies Tax which gets passed on to the consumer.

MR. STAGG: Not necessarily.

MR. SIMMONS: Oh, the brilliant lawyer from Stephenville says, Not necessarily. If I am ever in court -

MR. NEARY: No wonder they did not make him Speaker.

MR. SIMMONS: If I am ever in court, Mr. Chairman, I hope our positions are as they are in this House with he on the other side.

MR. NEARY: No wonder they did not make him Speaker.

MR. SIMMONS: Mr. Chairman, 11 per cent sales tax on premiums.

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: And I say to the Government House Leader (Mr. Marshall) that we could get through this much more quickly if he could take the member for Stephenville outside and entertain him somehow while we get on with the job. We were doing very well, indeed.

Mr. Chairman, we have an Insurance Premiums Tax of 11 per cent unprecedented anywhere else in Canada I say to the member for Stephenville (Mr. Stagg). We have an Insurance Companies Tax of 2 per cent which the minister now wants to jack up to 3 per cent. In effect, Mr. Chairman, that is an increase from 13 to 14 per cent for the consumer in this Province. He is now going to be paying, if the minister gets his way, not only the policy price that people who want to protect their families pay elsewhere in Canada, he is not only going to pay that basic price but they are going to jack on it another 14 per cent.

Now, Mr. Chairman, we hear the government raving on about the cost of living and how there is nothing they can do about it. Earlier in this House I illustrated that the real increase in consumer prices is in the area of taxes and that while taxes had gone

MR. SIMMONS:

up, while rather consumer food prices had gone up in a seven year period by 77 per cent, personal income tax has gone up by over 400 per cent. And here, Mr. Chairman, is another example of what I was talking about. If you are concerned, I say to the government, if you are concerned about how the consumer's pocketbook is getting hit you do not reflect this concern very well with the kind of thing you are doing here today.

All across Canada they can buy insurance and here we can buy insurance but the difference in Newfoundland - I do not know if it is this government's way of getting at unique identity. They are going to make us unique all right. They are going to make, they are making us, they have made us the highest paying consumers in Canada. Not only, Mr. Chairman, do you have to buy insurance like they do in Ontario but you have to pay an extra 11, 13, now 14 per cent for it. That, Mr. Chairman, is a disgrace.

Now, Mr. Chairman, I say to my friends on the opposite side, where is this concern again about believability, credibility? Is the public going to believe anything these people say? Is there someone in this House who will recall with me that it was the Leader of the government party who during the election make an undertaking not to increase taxes?

AN HON. MEMBER: Some taxes.

MR. SIMMONS: Ah, I was waiting for that. That is right, some taxes. They were not going to increase the retail sales tax of 11 per cent. Mr. Chairman, we all know that this Insurance Premiums Tax is the parallel of the retail sales tax, we just needed a separate bill because of the particular idiosyncrasies of the insurance business. We all know, perhaps even the Minister of Finance (DR. Collins) knows, that the 11 per cent Premiums Tax is the retail sales tax as it applies to premiums. It so happens we have a separate bill because of the particular circumstances involved.

MR. MARSHALL: Is the hon. gentleman (inaudible).

MR. SIMMONS: I am watching the clock. I will get there eventually. Mr. Chairman -

MR. ROBERTS: We have to adjourn the House. If we do not adjourn the House we will be back this evening.

MR. NEARY: Move the adjournment, boy.

MR. ROBERTS: Better yet, rise the Committee.

SOME HON. MEMBERS: Oh, oh!

MR. SIMMONS: Any chance I could finish my sentence, Mr. Chairman, before those learned lawyers -

MR. NEARY: Quickly.

MR. SIMMONS: Mr. Chairman, I want to give notice first of all that it is my intention tomorrow to move that this bill be referred to a select committee of the House. I shall elaborate in the morning as to the reasons for it. I believe there are some fairly serious implications here. I just want to give notice to the Committee that I will move such a referral motion in the morning and it now being near six I would move that the Committee rise and report progress.

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

MR. SPEAKER(Simms): The hon. the member for Humber West.

MR. CHAIRMAN(Baird): Mr. Speaker, the Committee of the Whole have considered the matters to it referred and reports having considered certain resolutions and bills consequent thereto and recommend that bills be introduced to give effect to the same and ask leave to sit again.

MR. SPEAKER: The Chairman of the Committee of the Whole reports that it has considered the matters to it referred and directed him to report having considered certain resolutions and bills consequent thereto and ask leave to sit again.

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

MR. SPEAKER: It is agreed to stop the clock?  
Agreed.

Motion, the hon. the Minister of Finance to introduce a bill, "An Act To Authorize The Raising Of Money By Way Of Loan By The Province," carried. (Bill no. 35).

On motion, bill no. 35, read a first time, second and third time, ordered passed and its title be as on the Order Paper.

Motion, the hon. the Minister of Finance to introduce a bill, "An Act To Amend The Local Authority Guarantee Act, 1957,"carried. (Bill no. 34).

On motion, bill no. 34, read a first,second and third time, ordered passed and its title be as on the Order Paper.



Motion, the hon. the Minister of Finance to introduce a bill, "An Act To Amend The Tobacco Tax Act, 1978," Carried. (Bill no. 37).

On motion, bill no. 37 read a first, second and third time, ordered passed and its title be as on the Order Paper.

Motion, the hon. the Minister of Finance to introduce a bill, "An Act To Amend The Gasoline Tax Act, 1978," carried. (Bill No. 44).

On motion, bill no. 44 read a first, second and third time, ordered passed and its title be as on the Order Paper.

MR. SPEAKER: The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, just before giving the routine adjournment motion I will inform the House that tomorrow we will resume debate on the Insurance Tax Act, then we will get into the Retail Sales Tax relative to the advertising, then it is proposed to do Order 7, 13, 14, 16, 18, 37 and what will be 38 tomorrow, which is the bill which was given first reading today on BRINEX.

MR. ROBERTS: Number 38 is what one?

MR. MARSHALL: That is the BRINEX one that was given first reading today which will be combined with the other one.

Mr. Speaker, I move that the House at its rising adjourn until tomorrow, Friday at 10:00 a.m. and that this House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Friday, August 17, 1979, at 10:00 a.m.

I N D E X

ANSWERS TO QUESTIONS

TABLED

AUGUST 15, 1979

AND

AUGUST 16, 1979

AUG 15 1979

ANSWER TO QUESTION #36 (ASKED BY HONOURABLE MEMBER FOR LAPOILE)

ORDER PAPER 17/79 - AUGUST 8, 1979

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QUESTION

LIST OF PUBLIC SERVANTS WHO HAVE BEEN  
RELOCATED TO ATLANTIC PLACE AND HAVE  
BEEN ISSUED FREE PARKING PERMITS TO DATE.

ANSWER

MINISTER-INDUSTRIAL DEVELOPMENT  
DEPUTY MINISTER - INDUSTRIAL DEVELOPMENT  
ASST. DEPUTY MINISTER - INDUSTRIAL DEVELOPMENT  
MINISTER - DEPARTMENT OF FISHERIES  
DEPUTY MINISTER - DEPARTMENT OF FISHERIES  
ASST. DEPUTY MINISTERS (2)-DEPARTMENT OF FISHERIES  
CHAIRMAN "FISHERIES" LOAN BOARD  
DEPUTY MINISTER - NORTHERN, RURAL & AGRICULTURAL  
DEVELOPMENT  
ASST. DEPUTY MINISTER OF AGRICULTURE  
MOTOR POOL - FOR A FLEET CAR

QUESTION #29

Mr. Neary (LaPoile) - to ask the Honourable the Minister of Health to lay upon the Table of the House the following information:

- (a) What is the total number of abortions or hysterotomies performed in the Province in the calendar years 1977, 1978 and 1979 to date?
- (b) What number of these abortions or hysterotomies were performed in each of the following hospitals for these hospitals for these years
  - St. Clare's Mercy Hospital
  - Grace General Hospital
  - Health Sciences Complex?
- (c) Reason pregnancy terminated;
  - (a) matter of life or death or patient;
  - (b) patient emotionally disturbed;
  - (c) rape;
  - (d) drugs;
  - (e) other?
- (d) What has been the cost of these abortions or hysterotomies to the taxpayers of this Province through M.C.P. and what proportion of the cost went to (a) specialists (gynecologists, obstetricians etc.) (b) cost of surgeons and (c) cost of special medication and other incidental expenses?

ANSWER

(a) 1977 475  
1978 531  
1979 to date (not available)

(b) 1977 1978  
St. Clare's 0 0  
Grace 1 0  
Health Science Complex 443 475

(c) (This part of the question is not answerable from information on file. Reason for termination of pregnancy is not required on the therapeutic abortion report).

(d) M.C.P. payments to specialists including surgeons for 1977 amounted to \$38,131.60. Related costs for 1978 have not yet been prepared but a fair estimate is \$43,000. There were no payments through M.C.P. for special medications and other incidental expenses.

August 15, 1979

QUESTION #30

Mr. Neary (LaPoile) - to ask the Honourable the Minister of Health to lay upon the Table of the House the following information:

- (a) the number of cases of tuberculosis discovered in Daniel's Harbour in 1977, 1978, 1979 to date;
- (b) the number of cases of tuberculosis discovered in Flower's Cove in 1977, 1978, 1979 to date;
- (c) What was the cause of these outbreaks?  
Give details.
- (d) What follow-up procedures have been used to determine if the outbreak of TB in these two communities is now completely under control?

ANSWER

(a) Daniels Harbour:	1977	0
	1978	15
	1979 to date	1
(b) Flower's Cove	1977	0
	1978	0
	1979 to date	2

- (c) I am advised by my Director, Tuberculosis Control, that because of the historical high incidence of tuberculosis in the Province, there still exists a reservoir of people who have had tuberculosis as a disease and many others who have contacted

the germ but have resisted the disease.

While much has been done to eradicate and cure the disease, there is no guarantee that arrested cases or contacts will not breakout as in the Daniel's Harbour incident.

- (d) These situations are reasonably well controlled. When outbreaks occur, chest x-rays and skin tests are carried out in the area. Positive cases are given chemoprophylaxis and closely monitored until the disease is arrested.

August 15, 1979

QUESTION #43

Mr. Neary (LaPoile) - to ask the Honourable the Minister of Health to lay upon the Table of the House the following information:-

Number of cases of battered wives recorded for the calendar years 1975, 1976, 1977, 1978 and 1979 to date.

ANSWER

Answer to the question is not available from hospital and/or medical statistical information reported to the Department of Health.

August 15, 1979



QUESTION #48

Mr. Neary (LaPoile) - to ask the Honourable the Minister of Health to lay upon the Table of the House the following information:

List hospitals in Newfoundland and Labrador to be equipped with dialysis machines in the current fiscal year.

ANSWER

There are presently three hospital-based dialysis units in the Province: Grace General Hospital, Health Science Centre and Western Memorial Regional Hospital. There are no plans to expand the hospital-based units, however, we are proceeding to prepare selected patients in the use of home dialysis.

August 15, 1979