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TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD
10:00 a.m. - 1:00 p.m.
FRIDAY, DECEMBER 12, 1930

The House met at 10:00 a.m.

Mr. Speaker in the Chair.

MR. SPEAKER (Simms): Order, please!

With respect to the point of order raised yesterday by the hon. the Leader of the Opposition arising out of remarks made by the hon. the Minister of Mines and Energy (Mr. Barry), I have had a chance now to review the remarks in Hansard and I quote the remarks, "The Leader of the Opposition is trying desperately to find an issue, any issue, and he has been since he was elected as leader, to provoke mischief and disorder in Labrador and other parts of the Province." Beauchesne, fifth edition, page 104, paragraph 319 (3) says in part, "A member will not be permitted to impute unworthy motives to any other member." I therefore rule that in this case there is a valid point of order and request the hon. Minister of Mines and Energy (Mr. Barry) to withdraw these remarks.

MR. BARRY: Mr. Speaker, of course.

MR. SPEAKER: I understand that the withdrawal has been made. Also today on behalf of hon. members in the galleries are approximately eighteen high school students from Pointe Claire, Quebec, accompanied by their teacher, Mr. Ron Deschamps. They are on an exchange visit to the city with the students of Booth Memorial High School and eighteen high school students from Booth are also in the galleries with their friends from Quebec and they are accompanied by their teacher, Mr. Melvin Drover. Bienvenue. Welcome. We hope you enjoy your visit.

SOME HON. MEMBERS: Hear, hear!

STATEMENTS BY MINISTERS

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

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: Mr. Speaker, in recent months, the officials of the provincial Department of Fisheries on behalf of the Newfoundland Government have been discussing with the federal people, the federal officials, our counterparts, and the federal minister, the new licensing system presently being imposed on our fishermen. Today I want to outline to the House of Assembly the provincial government's feelings in connection with this subject.

The Province has clearly stated its position on the constitutional jurisdiction with regards to shared jurisdiction over the fisheries in two recent documents. One, of course, was Towards The Twenty-First Century Together, that document which is now being highly circulated around the Province, and the second one was The Approach To The Management Of The Gulf Groundfish Stocks.

The government recently appointed a Royal Commission into the fishing industry, and one of the principle terms of reference of this major study is to make recommendations on the licensing system for fishermen. Therefore, Mr. Speaker, in view of the Royal Commission's mandate, and because of the unresolved constitutional issue with regards to shared jurisdiction over the fisheries, the Province would now prefer that the federal government delay implementation

MR. MORGAN: of the new fisheries licencing policy because, Mr. Speaker, the Province has some very serious reservations with the substance of various aspects of the new proposed federal licencing system and policy.

For example, the concept of further limited entry licencing and the means by which the new licencing system will be administered, it is very unclear from federal documents which are now available to fishermen around the Province in a brochure entitled Full-time / Part-time what the objectives are of the new licencing policy. The objectives of the new licencing policy are not expanded upon in any great detail and in my view are far too general. This is particularly evident in their definition of a full-time fisherman. For example, their definition being used in the present system is as follows. The term of a full-time fisherman is any person who fishes consistently during a normal fishing season. Now, this is open to wide interpretation. Does 'consistently' mean one who fishes throughout the whole season and for all species, or does it mean a fisherman who merely has to fish for certain species in the season?

In addition, that brochure now being sent to all fishermen around the Province states that a full-time fisherman cannot have employment during the fishing season in his respective area except for self-employment on a limited basis. No reference whatsoever is given to the matter regarding an income received by a fisherman other than earned income, for example, such as social assistance, pensions or any income from investments.

The federal authorities state in order for fishermen to maintain their full-time status, they must continue to meet full-time criteria on a yearly basis. No mention is made at all whether there are to be any exceptions to that rule.

MR. MORGAN: Now, Mr. Speaker, we are very concerned over this lack of clear definitions of the terms to be used in defining full-time and part-time fishermen. We are also very concerned over the establishment and structure of the new Licencing Appeals Committees. While the brochure now made available to fishermen states that the committees will be chaired by fishermen and that members will also be fishermen, it does not indicate whether or not part-time fishermen are going to be on these appeals committees. However, it is my understanding that all members - and this was in recent conversation the last day or two with the federal authorities as a result of their so-called press briefing yesterday to the media by the federal authorities - that these appeals committees will now consist of full-time fishermen. Mr. Speaker, we are strongly opposed to that, the reason being that-first of all, we are not saying

MR. J. MORGAN: fishermen should not have a say and a voice in determination of the licencing decisions and appeals, but it is cettainly not fair, it is simply not fair for one segment of the fishing industry who obviously would want to protect their own interest - the full-time fishermen - to determine the eligibility of others who want to become full-time fishermen. And we are very concerned over that. We think that kind of a structure would, in a community, for example, and in rural Newfoundland is going to -

MR. NEARY: (Inaudible)

MR. J. MORGAN: Mr. Speaker, could you ask the lip for LaPoile Liberal opponent to keep quite, Mr. Speaker?

MR. SPEAKER(Simms): Order, please!

MR. NEARY: As soon as you make your point.

MR. J. MORGAN: Mr. Speaker, if these fishermen, for example, who are full-time, arbitrarily decided upon by the federal authorities, are going to sit in a small rural community and make decisions preventing others from becoming full-time fishermen who want to become full-time fishermen, there are going to be some very strong ill-feelings created-

MR. WARREN: (Inaudible)

MR. MORGAN: Mr. Speaker, now the lip from Labrador. Please!

MR. SPEAKER: Order, please!

AN HON. MEMBER: The hon. lip.

MR. MORGAN: The hon. lip.

We are concerned, Mr. Speaker, because of the fact that the full-time fishermen will have full control over whoever else becomes a full-time

MR. MORGAN: fishermen. And that is going to cause some very - in fact, not going to, it is already causing some very strong ill-feelings among fishing families in small communities, among fishermen themselves in small communities, and we have some strong reservations with that kind of a process.

Mr. Speaker, as of the last few days, the federal government has now arbitrarily decided that out of 35,000 licenced fishermen in our Province they, the federal officials, have decided to send out notifications to all of these fishermen and they are only going to allow 11,000 of the total 35,000 to be full-time fishermen. There are 35,000 licenced fishermen and they are only going to allow 11,000 of these to be full-time. Now, Mr. Speaker, that means that at a time when we are talking about trading off cod stocks off our coast because we feel that foreigners can still come in and fish surplus fish, we are saying to our own Newfoundland fishermen, 'You hold down your harvesting effort, you keep down your effort in fishing here in our Province because there is not enough fish for you.' At the same time we can trade off thousands of tons of fish to foreign nations.

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

MR. SPEAKER(Simms): Order, please! A point of order has been raised.

The hon. member for Port au Port.

MR. J. HODDER: This is not a Ministerial Statement, Mr. Speaker, the Minister of Fisheries (Mr. Morgan) is now debating, clearly debating, and, you know, he is not reading his statement. It is not a Ministerial Statement any longer, it has turned into a debate.

MR. OTTENHEIMER: Mr. Speaker.

MR. SPEAKER: To the point of order, the hon.

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MR. SPEAKER(Simms): Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, there is no requirement that a statement is to be read or ad libbed or a mixture of both. Also, a Ministerial Statement is a statement of government policy and I think there is a reference in May very specific saying that the Chair, until a Ministerial

MR. G. OTTENHEIMER: Statement is over the Chair has no way of judging the nature of the statement. I do not think there is any authority on which the hon. member would be out of order.

MR. SPEAKER (Simms): With respect to the point of order, the Chair understands that Ministerial Statements are made to provide information to the House with respect to policies of the government. The understanding also further is that the member responding is entitled to ask explanations and make a few remarks, but no debate is then allowed in response.. There is no order that I am familiar with that says that the minister presenting the statement cannot expound on those items that are supposed to be passing information to the House.

The hon. Minister of Fisheries.

SOME HON. MEMBERS: Hear, hear!

MR. J. MORGAN: Mr. Speaker, the fact is that right now the fishermen in the Province are receiving applications for their new licenses for the 1981 fishing season and the federal authorities are telling them who will be a full-time fisherman and who will be a part-time fisherman. They have identified in their applications to the fishermen, saying, 'You must now apply for a full-time fishing license' and that category totals 11,000. But the remaining amount, Mr. Speaker, the remaining number totals 24,000 Newfoundlanders who have been told, 'You must now apply for a part-time license, and if you apply for a part-time license and you are unsatisfied with the decision you can appeal it'. And how do you appeal it? The question is answered by, 'You appeal it through means of an appeals committee consisting of full-time fishermen, and if you are dissatisfied, appeal to the federal minister.'

MR. J. MORGAN: So these arbitrary decisions, Mr. Speaker, again I point out that the arbitrary decisions reached recently, the federal authorities in their own wisdom, without consultation with the Province, without consultation with the fishermen, without consultation with the Fish Trades Association of our Province have automatically decided that 11,000 fishermen only will be full-time in our Province.

MR. S. NEARY: (Inaudible) do not be so foolish.

MR. J. MORGAN: Mr. Speaker, could I have some order from the hon. lip again for LaPoile (Mr. S. Neary).

MR. SPEAKER (Simms): Order, please!

I have had a chance to check Beaufort a little further. There is a reference there that, 'The purpose of Ministerial Statements should be to convey information not to provoke debate'.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Perhaps the minister might be entering into that area and I would ask him to confine to his statement.

The hon. Minister of Fisheries.

MR. J. MORGAN: On a point of order, Mr. Speaker.

MR. SPEAKER: A point of order, the hon. Minister of Fisheries.

MR. J. MORGAN: Mr. Speaker, my point of order is this: the information I am giving to the House of Assembly is information that is factual and accurate. I am not debating, I am merely supplying to the House of Assembly the facts that are available to all fishermen throughout the Province. That is my point of order, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. J. HODDER: To the point of order, Mr. Speaker.

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

MR. SPEAKER(Simms): To the point of order, the hon. member for Port au Port.

MR. J. HODDER: To that point of order, what the minister has just done is he has challenged the Speaker's ruling. I mean, that is an abuse, an abuse of the rules of this House, Mr. Speaker.

MR. G. OTTENHEIMER: To the point of order, Mr. Speaker.

MR. SPEAKER: To the point of order, the hon Minister of Justice.

MR. OTTENHEIMER: The hon. minister in no way challenged the Speaker's ruling. The Speaker's ruling was that information may be communicated and to not enter into debate. The hon minister got up on a point of order and said it was his intention to communicate information, and that is not any challenge of the Chair that I can see.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): With respect to the point of order, I have lost the reference again but it is here in Beauchesne. It says that the minister presenting information in a Ministerial Statement should not provoke debate and I suggest that the hon. minister may be entering into that area very closely.

The hon. the Minister of Fisheries.

MR. MORGAN: Mr. Speaker, I will repeat once more for the information of the House, the Federal Government has now arbitrarily decided in this Province that only 11,000 fishermen will be entitled to fish for fish on a full-time basis by sending out the application forms to them accordingly and advising them to apply for full-time licenses. They have now arbitrarily decided as well that 24,000 of the fishermen in our Province, licensed by the federal authorities, will now be automatically part-time. If they are dissatisfied with these decisions arbitrarily made by federal authorities without consultation with the Province or anyone else in this Province, that they are to appeal through an appeals committee.

Now, Mr. Speaker, the other fact is that they have established, again arbitrarily, a deadline for these kind of appeals to be made. And we are very concerned over the deadline. The deadline is January 15th, a few weeks away. That means 24,000 fishermen will now have to get their appeals made and filed before the 15th day of January. These sudden arbitrary decisions were made without consultation with the Province or the fishermen or the trades.

MR. BARRY: Shame, shame!

MR. MORGAN: Mr. Speaker, the Opposition might not like this but it is facts.

MR. SPEAKER (Simms):

Order, please!

MR. MORGAN:

Now, Mr. Speaker, the programme

is indicating that -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. MORGAN:

- no individual privileges to fish in '81 will be taken away in '81. However, for the purpose of licensing, all species of fish will be classified as restricted entry in '81 and the long-term objective of the federal fisheries is to restrict all limited entry licenses to full-time fishermen. However, it is only full-time fishermen will get these restricted licenses.

Now, Mr. Speaker, in our view as a government this could have very serious consequences for our rural Newfoundland communities, because it is obvious that from talking to the Fish Trades and the independent companies that fish landed by part-time fishermen is indeed very important in many parts of our Province, not only to fishermen but to also create a great deal of employment in our local fish plants that depend substantially on supplies of fish from these so-called part-time fishermen.

Now, Mr. Speaker, throughout the constitutional discussions, the Province has been continually advocating the need to have the Federal Government share - to share the power they have over fisheries with the Provincial Government especially in areas which obviously affect local issues. And it is obvious to us that this licensing is indeed a very local, an important local issue,

MR. MORGAN: and it is one area where the Province should have an important contribution to make.

Now, Mr. Speaker, I want to give one more piece of information to the House this morning, factual information, that in recent days the deputy minister of our Department of Fisheries and senior officials, and also from my level as minister, we have tried to obtain a list of fishermen who are licenced in our Province, and the federal minister (Mr. LeBlanc) and the federal deputy minister have refused to supply the Newfoundland Government with a list of fishermen on whom they are now making decisions in such an arbitrary fashion.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. MORGAN: Therefore, Mr. Speaker, we cannot assess the federal system of classifying full-time/part-time fishermen because of the refusal of the federal minister to supply the Newfoundland Government with a list of holders of commercial fishing licences.

So these arbitrary decisions are made behind closed doors, if you wish, by the federal government. They are doing things strictly on their own even to the point of failing to supply the government with information regarding the list of fishermen.

Now, Mr. Speaker, in closing this statement this morning, I want to say one thing further. The fishery plays an extremely important role in the social and economic structure of a rural Newfoundland and it is obvious, from where we sit as the government, that the Province should have more input in such a critical area as the fisheries as it pertains to our rural way of life.

In view of the important nature of this subject -

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: Mr. Speaker, could I have order?

MR. SPEAKER (Simms): Order, please!

MR. MORGAN: Mr. Speaker, in view of the important nature of this subject, and of the pending review of the licencing system by the Royal Commission into the inshore fishery, the short-term provincial position is as follows: that the federal government make no fundamental change in the licencing issue until the Royal Commission into the inshore fishery report has been completed, number one

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: Number two, that the Province should be involved in any appeal process on a government to government basis, not to be as another concerned group.

AN HON. MEMBER: Hear, hear!

MR. MORGAN: And number three, the federal -

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: Mr. Speaker, it is impossible to make a Ministerial Statement here -

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

MR. MORGAN: - with the hon. lip for LaPoile (Mr. Neary) interfering all the time.

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

MR. MORGAN: Thank you, Mr. Speaker.

Number three, Mr. Speaker, is that the federal government should provide this Province with the list of full-time fishermen and the list of part-time fishermen and the criteria they are using by the federal fisheries officers to categorize these fishermen. And that is not available now. Decisions are made strictly by -

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: Mr. Speaker!

MR. SPEAKER: Order, please!

MR. MORGAN: If they do not like it, well, at least keep quiet for a little while.

MR. MORGAN:

Debate it after.

Mr. Speaker, these are the three positions of government we are taking at this time. And in the meantime, because of the numerous complaints from fishermen around the Province to my office in the last twenty-four hours in particular, numerous complaints, phone calls, telegrams, requests for meetings, etc., we are now asking all fishermen throughout the Province who disagree with this new federal licensing policy system to write directly to the provincial Department of Fisheries and myself in particular.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Simms):

The hon. member for Burin-Placentia West.

SOME HON. MEMBERS:

Hear, hear!

MR. HOLLETT:

Mr. Speaker, it is very seldom that one on this side of the House gets twelve and a half minutes to respond to a four minute Ministerial Statement. Twenty-five minutes!

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

For the information of the hon. member, the Ministerial Statement began at 10.05.

MR. HOLLETT:

I will rephrase it for the sake of all the lovely people in Hansard, Mr. Speaker. It is very seldom one gets ten minutes to respond to a four minute Ministerial Statement.

SOME HON. MINUTES:

Hear, hear!

MR. HOLLETT:

You know, Mr. Speaker, in all sincerity in relation to the fishery, and I have to be honest with the House as I always am, I had three phone calls yesterday, one from a deep-sea captain, one from an owner of a sixty footer, one from the owner of a forty-five footer, and I lost all three bets. I was told that the Minister of Fisheries (Mr. Morgan) was going to make a

MR. HOLLETT: statement on a Friday morning. I thought it was going to be other than licencing. And the minister gets up here and says the Province had no input in the so-called new licensing system. Now, Mr. Speaker, we all know that over a year ago there was a commission set up to enquire into the licensing system in this Province. It travelled all throughout the Province. I made input, Mr. Minister, last April in Marystown, all over the place and I travelled all over the place.

MR. MORGAN: One in St. John's, one in Corner Brook.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): Order, please!

MR. HOLLETT: Well, Mr. Speaker, they had more than two meetings. They were in Marystown and elsewhere; if you want me to name them, I can.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HOLLETT: Now, Mr. Speaker, look, I did not say one word while the minister was speaking and I will tell you something else, Mr. Speaker, I know I am not getting on television but the minister has the right colour on for living colour this morning. This kind of a statement, Mr. Minister, on a Friday morning is repugnant to the fishermen, the fish plant workers -

SOME HON. MEMBERS: Hear, hear!

MR. D. HOLLETT: -and the fish processors in this Province. Mr. Speaker, I think it is high time that we got together in this Province -

MR. MORGAN: Use your position in the fisheries, come on!

MR. SPEAKER (Simms): Order, please!

MR. D. HOLLETT: Yes, Mr. Minister, and I am going to have all 1981 booked.

MR. SPEAKER: Order, please! Order, please!
What applies for one side applies to the other side, and the point that was made earlier about interruptions, I will have to make again. We will never get anywhere today if we do not carry on.

The hon. member for Burin - Placentia West.

MR. D. HOLLETT: Mr. Speaker, certainly I have no intention of getting upset this morning with all of our future leaders here in the gallery.

SOME HON. MEMBERS: Hear, hear.

MR. HOLLETT: But, Mr. Speaker, this statement to me means that much! What I want to say this morning prior to Christmas and in a giving mood is very simple. I have been here now for a year and a half, I have heard all sorts of members opposite, and some on our side, get up and we will talk about oil, we will talk about forestry, we will talk about mining and then either second, third, fourth or fifth, I will hear hon. members of this House, Mr. Speaker, get up and say, 'Oh, yes, we have to remember the fishery. It is number one in this Province.' With me it is number one, I am serious.

MR. WARREN: More than the minister is.

MR. HOLLETT: And, Mr. Speaker, if we are going to make it number one, we all have to work together to ensure that as it was, as it is, it will continue to be. None of those Friday morning press conferences, press releases, not Ministerial Statements, Mr. Speaker. It is

MR. HOLLETT: a press release, ensuring that the Minister of Fisheries (Mr. Morgan) gets on television.

Now, Mr. Speaker, there is another point I would like to make and give the minister some advice.

MR. WARREN: He needs it.

MR. HOLLETT: His predecessor did the same thing, he did it for four years, Mr.

Speaker, and if the minister would care to take the Christmas holiday and review what happened to his predecessor, I will suggest, Mr. Speaker, the same thing will happen to him if he continues this.

SOME HON. MEMBERS: Hear, hear.

MR. HOLLETT: And if the minister cares to refer to the next election, if he cares to come up in the greatest fishing district in Canada and oppose me -

MR. SPEAKER: Order, please! I believe that might be a bit irrelevant to Ministerial Statements.

SOME HON. MEMBERS: Oh, oh!

MR. HOLLETT: Mr. Speaker, I said I was in a giving mood this Christmas so I will invite him up.

SOME HON. MEMBERS: Oh, oh!

MR. HOLLETT: But, you know, I just could not believe this was all that was in the statement - the Province had no input. There was a Royal Commission on licencing going on in this Province for over a year, everybody in this Province had an opportunity to participate and make input. The minister gets up and says, 'Appoint a Royal Commission on the fishing industry,' Okay. The only part that counts, Mr. Speaker, is the fourth page, you know, 'The federal government will make no fundamental change in the licencing issue until the Royal Commission Report has been completed'. Now, Mr. Speaker, that Royal Commission was supposed to have been completed at the end of last month and now we know it is not going to be completed until

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MR. HOLLETT:

March or April -

MR. WARREN:

What?

MR. HOLLETT:

- next year, sure. The Province will only be involved in the appeal process on a government to government basis.

Mr. Speaker, if the people who are going on those commissions, on the

MR. HOLLETT: appeal boards are not Newfoundlanders and knowledgeable Newfoundlanders in the fishery, then, Mr. Speaker, I will resign my seat - fair ball? - to the minister.

MR. STAGG: (Inaudible)

MR. HOLLETT: You would like that, the hon. member for Stephenville (Mr. Stagg).

Now, Mr. Speaker, before I sit down - now, it is not very often I get upset, but before I sit down, to the hon. the Minister of Fisheries (Mr. Morgan), I would like to offer an invitation so that we all will understand what the fisheries is about. The first boat will be leaving the Burin Peninsula for the deepsea fishery about January 2nd. I will invite the hon. the minister to share with me, if he cares to, a dual room for a ten day trip into the North Atlantic to find out how the deepsea fishery operates. When we come back from that, I will go with the hon. minister on a sixty-five footer and see what that is like, and then after that we will go out and probably try a nine bed dory with a five Atlantic in her in Francoise and find out what that is like in February. Then the hon. minister will know what the fishery is about, not give press conferences. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): Order, please!

I am sure hon. members would like to join with me this morning in welcoming to the Galleries as well, fifty-four grade 1X students from Mary Queen of the World School of the district of Mount Pearl along with their teachers, Sister Ann and Mrs. Hall. We hope they enjoy their visit this morning.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): And I am also pleased to welcome to the Galleries today the Deputy Mayor of St. John's, Mr. Ray O'Neill.

SOME HON. MEMBERS: Hear,hear!

MR. SPEAKER: Any further statements?
The hon. the Minister of Development.

MR. S. NEARY: The Friday morning parade.

MR. SPEAKER: Order, please!

MR. WINDSOR: Mr. Speaker, I am pleased - when Romper Room is finished, Mr. Speaker, I will make an attempt to make this statement. I am pleased to announce today the appointment of Mr. Calvin Anstey to the position of Assistant Deputy Minister of Tourism in the Department of Development. In this position, Mr. Anstey will be responsible for all aspects of the development of the tourism industry in the Province. He will be working closely with the various tourism development associations and other interested groups and organizations in this regard. Mr. Anstey is a graduate of Memorial University of Newfoundland in Engineering and of Nova Scotia Technical College in Industrial Engineering. He has worked for four years in industry with Colgate-Palmolive Limited and Dominion Glass Company Limited. And since 1974 he has been with the Government of Newfoundland and Labrador, most recently as the director of Development and Promotion Division for the Department of Development. Mr. Anstey is married with three children and takes up his new position on December 29, 1980.

I am extremely pleased with the addition of Mr. Anstey to the senior management team of the Department of Development. I am confident that through his efforts and those of his new staff, further positive progress will be realized in the growth of the tourism industry in our Province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): The hon. the member for Torngat Mountains.

MR. WARREN: Mr. Speaker, I, also, on behalf of our colleagues, extend a welcome to Mr. Anstey to the Ministry of Development, and I am sure that he will bring knowledge to the department which is going through a crucial state in this Province. There is a long way, Mr. Speaker, for Tourism to go in Newfoundland and Labrador and I hope that the minister, in Mr. Anstey, has come up with a gentleman who I am sure will let Newfoundland and the rest of Canada know that Newfoundland is a great place for tourists.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further statements.

The hon. the Minister of Lands and Forests.

MR. POWER: Mr. Speaker, at this time -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. L. BARRY: Doing our homework, boys, doing our homework.

MR. POWER: Mr. Speaker, at this time I would like to provide this hon. House with a summary of this year's activities under the Forest Economic Stimulation Programme.

SOME HON. MEMBERS: Hear, hear!

MR. POWER: This programme is a cost shared one with the federal government under DREE and is in the second year of a four year agreement. There are four elements to the F.E.S. programme - Site Rehabilitation. Stand Improvement, Cable Logging and Industry Programmes.

Site Rehabilitation consists of the removal of budworm damaged timber on selected acres followed by reforestation with more budworm resistant black spruce trees.

MR. POWER: Stand Improvement, Mr. Speaker, involves two activities, stand manipulation and roadside clearing. Manipulation is achieved by thinning the forest in the 0 to 20 age class, spacing in the 21 to 40 year age class, and fertilization of the 41 to 60 year old trees. Roadside cleaning to remove disease and wind thrown trees along with other debris is the second aspect of stand improvement.

Cable Logging activities to harvest timber under steep slopes is the third element of the F.E.S. programme.

A fourth component consists of industry projects involving pre-commercial thinning, site reclamation, shoreline cleanup and tree planting by the two paper companies on their freehold limits.

There is a summary, Mr. Speaker, in the statement, of the districts and areas where money has been spent. In all, forty-two projects were carried out, twenty-four of which have been completed and eighteen of which are still active.

The programme created 565 jobs this year.

In addition, there are nineteen professional personnel who are employed on a full-time programme to supervise the implementation. The total expenditure on the programme to date is \$2,443,000 with budget projection of \$3.2 million by March 31, 1981.

This programme reflects my department's concern for the forest of our Province and represents a positive step towards good forest management.

SOME HON. MEMBERS: Hear, hear!

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

MR. TULK: Mr. Speaker, I want first of all to say that we on this side welcome the minister's statement

MR. TULK: just as a point of information, not that it gives much direction to government or to this Province in forestry.

Now, we are pleased, Mr. Speaker, to see that at least one minister on that side this morning is saying that they are getting some federal help in a certain resource sector of this Province.

MR. WARREN: Right on! Right on! Better than the guy sitting next to him.

MR. B. TULK: Mr. Speaker, I would urge the minister in that view not to sit in his seat sulking about or making press releases about what the Minister of National Revenue is doing, but hurry up and get that \$47 million forestry agreement signed.

SOME HON. MEMBERS: Hear, hear!

MR. B. TULK: Now, Mr. Speaker, the minister talks about site rehabilitation. I want to suggest to the minister that in view of the infestation and the over-naturation of timber in this Province that this programme should perhaps be one hundred fold as big. The truth of the matter is that the forests in this Province are dying. The timber is either dying or dead and the minister should increase his programme perhaps one hundred fold.

In his statement he also mentions, Mr. Speaker, roadside cleaning. And I think most of the roadside cleaning that we have seen done in this Province has been done, again, by Canada Works, another federal programme. He also speaks of the paper companies cleaning up their freehold limits. Mr. Speaker, I want, in the very short time that is available to me, to tell the minister that I think the paper companies should indeed be paying some of the cost of this work because they have been perhaps the worst culprits. Let me go on to say that I notice only eleven people were employed on these programmes in Labrador. Now, Mr. Speaker, it is great to see 565 jobs, but only eleven of them, I think, came from Labrador.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. B. TULK: I want to clue up, Mr. Speaker, by saying that I think the minister's programme is welcomed. But I want to suggest to him that his programme should have been perhaps ten or one hundred fold as big as it is.

SOME HON. MEMBERS: Hear, hear!

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

MS. VERGE: Mr. Speaker, today I am pleased to release the second report of the task force on education entitled, Improving School Retention and Post-Secondary Participation. I am particularly delighted to do this with so many high school students sitting in the galleries.

The first report from the task force was released in July 1979 and focused on primary, elementary and high school education. This report deals with post-secondary education or that part of the system serving the adult population of the Province.

The Province's post-secondary education institutions include Memorial University of Newfoundland; the College of Trades and Technology; the College of Fisheries, Navigation, Marine Engineering and Electronics; the Bay St. George Community College; hospital schools of nursing and seventeen vocational schools administered by the Department of Education. In addition, the Education Department's division of Adult and Continuing Education administers academic upgrading and personal interest courses for adults in communities throughout the Province in response to local requests.

The report covers many aspects of the post high school system including Adult and Continuing Education. I would like to highlight six of the major topics

MS. VERGE:

dealt with by the report.No.(1)Concerns in Post-Secondary Education. Some of the concerns identified are:The need for co-ordination in Post-Secondary System; The labour force orientation of Post-Secondary Education;Selection and admission policies of Post-Secondary Institutions; And the need for changes in Teacher Education Programs. No.(2) Effect of population trends on Post-Secondary Education. Post-Secondary Institutions have not had their enrolments affected by a decrease in the population of eligible candidates. However, it appears that this situation is about to change drastically. Assuming no major population shift or change in pupil retention rate at the high school level, the data point to to a reduction of some twenty-five per cent in the grade eleven population over the next decade. This rate of decrease holds the potential for major disruptions in the Post-Secondary System. No.(3)Student selection and admission policies. The report argues that completion of High School Education should be the basic standard for admission to Post-Secondary Programs. However, provision should be made for accepting mature students and allowing them to acquire competence in the basic skills.

SOME HON. MEMBERS:

Hear, hear!

MS. VERGE:

No. (4). Education and Employment.

Based on available data on past employment patterns and projections of employment requirements for the future, the Task Force says a case can be made, on the one hand, for expansion of higher academic, technology and technical programs given at the University and the Colleges and, on the other hand, for reduction in basic trades courses taught at Vocational Schools, at least in the short term. No. (5) Teacher Education.

MS. VERGE:

The Teacher Education Programs have served the clientele of the seventies extremely well. However, the Province now has a teaching force with changed characteristics - highly qualified and young, and teaching in schools where there are changing expectations and relatively little teacher mobility. This points to a need for a serious review of some Teacher Education Programs. Finally No.(6) Community Colleges. The report recommends a community college system for the Province utilizing the existing Vocational Schools. Six community college regions are suggested, each with its own Board of Governors and a Chief Executive Officer. The colleges would have responsibility for training in the trades, academic upgrading for adults, as well as general interest programmes based on community needs.

The Department of Education has been examining its approach to the whole area of advanced and continuing education and we will be using the report to assist us in this review. We are particularly interested in the recommendations on community colleges. The first such institution, The Bay St. George Community College, was established three years ago at Stephenville, and the report recommends a Province-wide system with a similar function and structure.

MS. VERGE:

In August of this year a new position was created in the Department of Education, that of Assistant Deputy Minister responsible for advanced and continuing education. Cyril McCormick was appointed to the position. This was done to give greater emphasis to post-secondary education and to increase our efforts to promote greater co-ordination among our post-secondary institutions and adult education system.

One of the reasons for renewed emphasis on advanced and continuing education is the need for new training and education programs related to offshore oil and gas development. Government has established a co-ordinating committee of OPIC to assist in planning for the impact that offshore development will have on the Province. Both Cyril McCormick and the Deputy Minister, Cecil Roebothan, serve on the committee. It is my belief that education and training have to be significant factors in that planning to ensure that the citizens of our Province have access to the employment opportunities these developments will offer.

In conclusion, Mr. Speaker, I would like to express on behalf of government, the Department of Education and myself, our appreciation and thanks to the two members of the task force, Dr. Frank Riggs and Dr. Bob Crocker of Memorial University, for providing us with two very valuable reports.

It is my intention to distribute copies of this second report that I am releasing today to all institutions and agencies in the Province involved in training and education at the post-

MS. VERGE: secondary and adult levels
and to seek their opinions and comments before proceeding
to make final decisions on the recommendations.

Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Simms):

The hon. member for Trinity-
Bay De Verde.

SOME HON. MEMBERS:

Hear, hear!

MR. F. ROWE:

Mr. Speaker, I have had the
pleasure of serving and teaching with the two gentlemen,
Dr. Crocker and Dr. Riggs at the University. I have taught
high school for four years, university for seven years,
and I have been in this House of Assembly for eight and
a half years and this Ministerial Statement, Mr. Speaker,
is nothing but a catalogue of disasters caused by the
inaction of this present government.

SOME HON. MEMBERS:

Hear, hear!

MR. F. ROWE: This Ministerial Statement, Mr. Speaker, is nothing but a repetition of the needs that I have listened to for the past twenty years in education -

SOME HON. MEMBERS: Hear, hear.

MR. F. ROWE: - on which we have had no action by this government. And, Sir, it is also, this Ministerial Statement, a catalogue of the lack of educational policy and direction on the part of this administration. Sir, we have had enough studies and we have had enough promises and it is time that we got on with some action, Mr. Speaker.

Mr. Speaker, when one looks at this Ministerial Statement and has a quick look at the recommendations, which I must say I have not had an opportunity to read through completely in this new Task Force Report, but, Mr. Speaker, in the Throne Speech of 1974, 1,000 extra vocational school students were promised; in the Throne Speech of '74 again, new polytechnical institute to be built; in the Throne Speech of 1975, new residences for the College of Trades and Technology and the polytechnical institute; in the Throne Speech of '73, An Offshore Man's Needs Conference for oil and gas; in a Throne Speech of '71, the PCs will initiate a province-wide educational television programme -

SOME HON. MEMBERS: Oh, oh!

MR. F. ROWE: - in the Throne Speech of 1972, Mr. Speaker, regional colleges to be set up all over the Province -

MR. FLIGHT: Including Grand Falls.

MR. F. ROWE: - and in the Throne Speech again, one for Grand Falls.

SOME HON. MEMBERS: Hear, hear.

MR. F. ROWE: Mr. Speaker, quite honestly and sincerely, Mr. Speaker, I have looked at this document, the Ministerial Statement this morning, and I cannot see one single thing that is new, that is needed, that has not already

MR. F. ROWE: been stated as a need in the field of education. The only problem, Mr. Speaker, there has been a total failure and an abysmal lack of action and a dismal lack of action on the part of this administration over the period of time since 1971.

SOME HON. MEMBERS: Hear, hear.

MR. F. ROWE: And I am calling on this administration, Mr. Speaker, to stop issuing Ministerial Statements in the field of education, stop setting up reports and further studies, and get on with some action for a change.

SOME HON. MEMBERS: Hear, hear.

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

MR. C. BRETT: Mr. Speaker, I had a Ministerial Statement on proposed changes to the Fogo Island ferry, but it is almost eleven o'clock, so I will table the statement. It will be passed around in the House for hon. members to read.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER (Simms): Any further statements?

I am sorry, the hon. member for St. Barbe has about ten seconds if he wishes.

MR. BENNETT: I would like to congratulate the minister on something at last that looks like a positive approach in planning and I hope that this is followed up by the minister to other parts of the Province, especially over in areas that I know so very well where there has been an awful lot of neglect. It looks to me, Mr. Speaker, like this is a positive approach and the minister, the last one, was the only positive approach that there was coming from all ministerial statements. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

ORAL QUESTIONS

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

MR. STIRLING: Thank you, Mr. Speaker, I have a question appropriate, I think, this morning, when we are talking about the promises of this government as this session draws to a close. One of the promises made which we were going to get in the Spring and I thought again in the Fall was an election expenses act. Is that going to be introduced this session, before we close?

MR. SPEAKER: Order, please! I do not believe the hon. Leader of the Opposition indicated who the question was being posed to here.

MR. STIRLING: The President of the Council in the absence of the Premier.

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

MR. MARSHALL: Well, Mr. Speaker, to be quite accurate - although not technically - to be quite accurate the election

MR. MARSHALL: expenses has been introduced because it has gone through first reading. We have? in this session, Mr. Speaker, monumental matters to get through before adjournment, such as the water rights reversion with respect to the Upper Churchill, the -

MR. S. NEARY: That is done.

MR. MARSHALL: - no, it is not completely passed yet, and the ERCO legislation, all of these things so we have this with our on-going legislation. There will be an election expenses act brought before this Assembly, but obviously we will not be able to do it before the break at Christmastime.

MR. STIRLING: A supplementary, Mr. Speaker.

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

MR. STIRLING: Can the President of the Council give us any assurance that the election expenses act will be dealt with through the various readings, not just introduced and allowed to die on the Order Paper? Will the President of the Council (W. Marshall) give us an assurance that the election expenses act will be dealt with prior to the next election?

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

MR. MARSHALL: Mr. Speaker, I can give assurances. I can say that it is the government's intention and it is the government's policy to enact an appropriate act of this nature before the next election. But, Mr. Speaker, I cannot say, of course, when the next election is. That is for the hon. the Premier. If the hon. gentlemen continue in their resistance to the recapture of our rights to the Upper Churchill and Constitutional matters, they may - I have, Mr. Speaker, I have no control over when the election is called, but I will say that if

MR. MARSHALL: the government goes the term for which it has been elected that I am sure we can expect to see it.

MR. NEARY: Mr. Speaker.

MR. SPEAKER (Simms): The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I showed the House, last Spring where they could find \$3 million probably to help the people down in Southern Labrador with their road or fly stretcher cases from Western Labrador. Could the minister tell us what he has done about recovering, recouping that \$3 million that I discovered over in a bank in Hamburg in Germany

MR. NEARY: that was confiscated or seized
or frozen by a company called Schurfeld in Hamburg?

MR. SPEAKER (Simms): Order, please!

I do not believe the hon. member
indicated which minister.

MR. NEARY: The Minister of Justice.

MR. SPEAKER: The Minister of Justice.

The hon. the Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, I should point out
that this amount of around \$2.7 million is not, you know,
sitting in a bank waiting to be picked up. If that were
the case, there would be no problem to it. It is not just
there and a matter of phoning them or somebody going over
and saying, 'Fine, we will have that money now; thank you
for looking after it,' and bring it back. It is an amount
in dispute, which Schurfeld says it does not owe and which
the former Labrador Linerboard mill, which has now been
taken over by the Crown and Industrial Development there-
fore succeed to it, claim is owed.

The last time the hon. gentleman
raised the question, I told him that there would be an
attempt to come to a negotiated settlement. This has not
been successful. There is no negotiated settlement.

MR. OTTENHEIMER:

What the Department of Justice is doing now in consultation with the Department of Industrial Development is examining the credentials of a number of West German counsel in order to hire one to pursue the matter in West Germany through the legal processes there because there has been no negotiated agreement.

MR. NEARY: A supplementary.

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

MR. NEARY: Mr. Speaker, it is absolutely incredible This matter is outstanding for over three years and I would gather from the minister's answer that they really have not done that much about it. Now would the minister tell the House if there is a provision to arbitrate this matter? And if there is a provision to arbitrate the matter, where will the arbitration take place - in Newfoundland, in Canada, in North America or on the other side of the Atlantic?

MR. SPEAKER: The hon. Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, if there were an agreement to arbitrate, then according to the previous agreement that would take place in England; if there were an agreement or if there were some other form of arbitration obviously both parties could so agree. As I pointed out, Schurfeld has not come to any agreement with the Province and therefore the next move is to take legal action against them.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary.

MR. NEARY: Mr. Speaker, this is a complete outrage. Could the minister tell the House how come a matter concerning Labrador Linerboard, concerning the provincial government, the taxpayers of this Province has to be arbitrated over in England? Why not in this Province? How did that happen?

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

MR.OTTENHEIMER: Mr. Speaker, that is pursuant to an agreement made between Labrador Linerboard and Schurfeld some years ago. Labrador Linerboard made it and schurfeld made it, the two people involved. They are the ones who made it. I mean, the hon. member will recall that it is a number of years now that matters with respect to Churchill Falls are in the courts and in matters of this type of complexity it is not unusual that it takes a period of time. But I would point out that there is no money sitting in a bank to be picked up. If that were the case, all we would have to do is to get the Deputy Minister or myself, or even the hon. gentleman, get him a ticket to go over to Hamburg with a letter of introduction, 'This is the hon. member for So-and-So; he has kindly volunteered to come over and pick up the check and bring it back and deposit it with the Exchequer account.' But it is not that. They dispute owing it. We claim it is owed and they dispute owing it.

MR.TULK: Mr. Speaker.

MR.SPEAKER: The hon. member for Fogo.

Mr.TULK: Mr. Speaker, I have a question for the Minister of Transportation (Mr. Brett) and it is in relation to his Ministerial Statement this morning in which he sets out that the Fogo Island ferry is going to be rerouted. And I can agree with much that is in that, Mr. Speaker, that statement that he has made. But I would like to ask the minister, he speaks of going to West Indian Island, I would like to ask the minister, he said something about the difference in costs, it was too great for the provincial government at this time, what would the difference in cost have been

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MR. TULK: between what he has now
proposed and the route to Indian Islands, Frederickton?

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

MR. BRETT: Mr. Speaker, I just got this report a couple of days ago and I really have not had a chance to go through it as I should, but it indicates here in the report that the West Indian Island - you are talking about building a causeway from Fogo Island to West Indian Island and then a ferry from there on to Farewell or Carmanville or whatever. The figures given here are something in the magnitude of \$5 million. Now, I do not know if that is the causeway or just the terminals, but I do know that the cost was such that, you know, it would be impossible for us to undertake it in the next number of years. And actually, you would not be improving the service all that much because -

AN HON. MEMBER: You would still need the ferry.

MR. BRETT: Yes, because people would still have to use the boat. Now, if you were to spend that kind of dollars and then the boat would no longer be involved and you could look at it, but to spend that kind of money and still have to use a boat, we do not think it is sensible.

MR. TULK: Mr. Speaker, a supplementary.

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

MR. TULK: I think the \$5 million that the minister is talking about includes the ferry terminals at both West Indian Island and Frederickton, as well as the causeway.

Mr. Speaker, the minister also in this statement refers to the signing of an agreement with Transport Canada. I would like to ask the minister to clarify whether indeed the work that he is planning on doing on Fogo Island is dependent upon signing that agreement, what the cost of the project is, and what the contribution

MR. TULK: of the federal government will be?
MR. SPEAKER (Simms): The hon. the Minister of Transportation.
MR. BRETT: Mr. Speaker, when we took over the ferry systems a little over three years ago, part of the agreement was a number of millions of dollars to upgrade the existing ferry terminals and wharves and what have you. Some of that work has been completed, some of it still remains to be done. One of them, as the hon. member knows, is Fogo Island. The remaining part of the agreement has not been signed because we are trying to come to some agreement with respect to the Greenspond ferry or causeway, whichever, and that has been the hang-up. Now, obviously, something will have to be done between now and the end of the fiscal year because I do not think we can go on too much longer in that Greenspond area without making a decision.

So that is the agreement that I am talking about. I think it will be signed reasonably soon. The money is there. It is not a matter of going to the federal government now; there is no negotiating to be done or anything like that, it is just a matter of signing the agreement. And the cost of putting a new terminal and wharf in Man of War Cove and an extension on the wharf in Farewell is approximately \$900,000.

MR. TULK: Mr. Speaker, a supplementary.

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

MR. TULK: Mr. Speaker, the last part of the Ministerial Statement says in talking about the road to Stag Harbour on Fogo Island up to Man of War Cove, the last statement of the minister says, 'My department is hopeful that this work can be commenced in an early year.' Does the minister mean early in the next year -

AN HON. MEMBER: Or the year after?

MR. TULK: - or the year after or whatever?

MR. TULK: Does it mean it will be done this year? And will the minister further commit himself to paving the last major road that is left on Fogo Island to be paved, immediately after that, and that is the Island Harbour-Deep Bay road?

MR. SPEAKER (Simms): The hon. the Minister of Transportation.

MR. BRETT: Mr. Speaker, an early year could be next year or the next year or the next year. Obviously, with the re-routing of the ferry, I think that these two sections of road, the one that we would have to build - it is not very much - and then the route from Farewell Head across, as I said, re-routing this would place these roads on a higher, probably, priority list than they are now because they are going to be heavily used by not only the residents of Fogo Island but people who commute back and forth.

MR. C. BRETT: But I do not know when an early year would be. An early year would not be twenty years away for sure, and probably less than ten. But I do not know exactly when it would be and I cannot give the hon. member a commitment for the remaining roads on Fogo Island.

MR. B. TULK: A final supplementary, Mr. Speaker.

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

MR. TULK: Is the minister now -

MR. SPEAKER: Order, please!

Does the hon. member for Eagle River yield?

MR. E. HISCOCK: Yes, I yield.

MR. SPEAKER: The hon. member for Fogo.

MR. B. TULK: Is the minister now telling the House that he is going to re-route the ferry but that the road to Stag Harbour will not be paved next year when that job is being done? Is that what he is talking about?

MR. SPEAKER: The hon. Minister of Transportation.

MR. C. BRETT: Mr. Speaker, it is going to be late in 1981 or Spring of 1982 before these changes are made, so it does not matter if the road is done this Summer or not as far as the ferry operation is concerned.

MR. SPEAKER: The hon. member for Eagle River.

MR. E. HISCOCK: Mr. Speaker, my question is to the Minister of Lands and Forests (Mr. Power), particularly with regard to the high unemployment and many bankruptcies in the Goose Bay area. Can the Minister of Lands and Forests inform me that the lease or the grant to the Canadian Armed Forces for No Name Lake is cancelled? Will it be renewed next year? Has it been cancelled? And can the minister inform us what the position of No Name Lake now is in with regard to the provincial government and the Canadian Armed Forces?

MR. SPEAKER (Simms): The hon. Minister of Forest Resources and Lands.

MR. C. POWER: Thank you, Mr. Speaker.

I assume the hon. member is asking a question about, I guess, the fishing camp that the Canadian Armed Forces have been operating at No Name Lake. Is that what you are talking about?

The lease there, Mr. Speaker, we have had several discussions with the department responsible primarily for - although our department gives the lease, we give the lease on the recommendation of the department responsible for wildlife management in the Province, which happens to be - I guess the hon. minister is not in his seat now, but he is the minister who recommends to our department whether that lease should be renewed for each year. If he recommends, or if his department recommends that the lease should be continued then, of course, our department has very little option other than to give the leases as applied for. As I understand it, that lease is up for renewal each year and that no decision has been made as to whether it will be renewed for the 1981 season. I know there were several discussions in the year of 1979, when I happened to be responsible for wildlife management, with the persons responsible in senior personnel of the Canadian Armed Forces, people who ran the base. We had at least thought about cancelling

MR. C. POWER: the lease in 1979 and 1980. After they made several improvements in the operation of the camp, particularly as it related to the wildlife management and the enforcement of the regulations on the river itself, we decided to renew the lease for 1980, which is the year that has just finished, the fishing season.

MR. HISCOCK: (Inaudible) on the lake.

MR. C. POWER: Well, on the lake, that is the case I mean. But no decision has been made as to the year of 1981 whether we will renew that lease on the lake itself.

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

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

MR. E. HISCOCK: With regard to, Mr. Speaker, not to get it mixed up with the Air Command having -

MR. NEARY: (Inaudible) a hide-away.

MR. E. HISCOCK: - Eagle River itself but with regard to the lake,

MR. E. HISCOCK: it is a recreation for the servicemen themselves of the Canadian Armed Forces, it is not the Air Command on the Eagle River.

What this government is basically saying to the federal government is that they want a Canadian Air Force Base or Armed Forces Base at Goose Bay. When you say each year it has to be reviewed - basically No Name Lake was transferred, the lands and titles and all the buildings there, from the Americans, could you, as the minister, inform me, why is it that this has to come up each year and to be referred, particularly when it is for recreational purposes for the morale of the Canadian Armed Forces in Goose Bay, why is it that it has to come up each year to be reviewed?

MR. SPEAKER (Simms): The hon. Minister of Forest Resources and Lands.

MR. C. POWER: Mr. Speaker, it has to be reviewed each year because we have a continuing interest as wildlife managers in this Province for the wildlife of Labrador and the management of it. And there have been many abuses in Labrador and therefore we are not, as a government, willing to say, you have it carte blanche the next thirty or forty or fifty or one hundred years until the resource is totally wiped out, that we are going to renew those leases that we have, the licence that we have for all persons in Labrador on a yearly basis, and we are going to continue to do that because we have an interest in managing the resource.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER: The hon. member for Eagle River.

MR. HISCOCK: I am sure that the Canadian Armed Forces would be the first ones to agree with you that one needs to manage the resources and the wildlife of Labrador and its fisheries and salmon and whatever. Can the minister

MR. E. HISCOCK: inform this House now, has there been any breach whatsoever in the Canadian Armed Forces of any regulation of this government and has it not had great co-operation between the Canadian Armed Forces and this government?

MR. SPEAKER (Simms): The hon. Minister of Forest Resources and Lands.

MR. C. POWER: Mr. Speaker, as I understand it, no charges have been laid under breaches of the Wildlife Act in that camp in Labrador. That does not mean that simply because charges have not been laid that abuses have not been prevalent because of the large expanse of land that is involved and also because of the shortages of personnel in that part of Labrador and in that part of Newfoundland as a part of a total management area.

MR. NEARY: It is a slur on everybody up there.

MR. C. POWER: No, it is not a slur on everybody up there. What I am saying is that in Labrador, as in other parts of Newfoundland, it is extremely difficult to manage a wildlife resource where you have a fantastic amount of pouncing, where you have a terrible amount of land to cover, and you only have a small amount of personnel to do that enforcement. In Labrador that problem is compounded by having a much larger area and open area. And all I am saying to the member is that we are going to review every single year those leases that we have and the licences that we give to operate camps in Labrador. We think it is a perfectly fair and sensible way to manage that resource and that is what we are going to continue to do.

MR. SPEAKER: The hon. member for St. Barbe.
MR. BENNETT: I yield.

MR. SPEAKER: If the hon. member wishes to yield,
the hon. member for Eagle River.

MR. E. HISCOCK: Can the Minister of Lands and Forest (Mr. C. Power) inform this House if the

MR. HISCOCK: Canadian Armed Forces will have their lease renewed on the review if there is no breach of regulations? The government, will they have it renewed next year?

MR. SPEAKER(Simms): The hon. Minister of Lands and Forests.

MR. C. POWER: Mr. Speaker, as I said in the answer to the initial question that question is being examined by the department responsible for wild-life management, they will make a recommendation to our department responsible for Crown land shortly after the New Year. We will then notify the Canadian Armed Forces as to whether their lease is to be extended or continued or their licenses granted.

MR. SPEAKER: The hon. member for St. Barbe.

MR. T. BENNETT: Thank you, Mr. Speaker. My question is directed to the Minister of Transportation (Mr. Brett), Mr. Speaker. Do I understand from the Minister there will be no snow clearing assistance for small communities around the Province this forthcoming winter, no assistance from your department for snow clearing?

MR. SPEAKER: The hon. Minister of Transportation.

MR. C. BRETT: That is in cases of town councils, Mr. Speaker, only, where there are town councils, they have to make their own arrangements. In the case of community council's, we will still continue to do it; the only thing is that there is a little bit difference in the grant system. In other years the snow clearing grant to community councils was turned over to the Department of Transportation. And regardless of what it cost,

MR. C. BRETT: if the grant did not cover it - if the grant was \$5,000 and the snow clearing was \$50,000, well, you know, there was no bill sent out. But this year the grants are going to the community Council that is the difference. And there is going to be a little bit of a screw up in the bookkeeping but we will still be doing the snow plowing in places where there are community councils but we are not getting involved with the town councils, town councils have been advised to make their own arrangements.

MR. SPEAKER: (Simms): A supplementary. The hon. member for St. Barbe.

MR. T. BENNETT: There is a fair amount of concern being displayed by town councils, Mr. Speaker, who find it difficult to make arrangements to have their own snow clearing equipment either purchased or hired in the local area and it has been suggested to me that they may not get the co-operation of your department, Mr. Minister, and that your department might just pass right by their door without being available to do snow clearing necessary in the community. And where these people cannot, mind you, take out heavy loans now with high interest rates and all the rest of it, they are a little bit afraid that they are not going to have their communities opened up. So I am wondering just how much co-operation is going to be forthcoming with regards to the towns, not necessarily only the communities but a town itself, too. And I think primarily of towns in my district, for arguments sake Port au Choix and Port Saunders, these towns now have to get into big heavy equipment, which they can ill-afford, while you have equipment passing by their doorstep every day

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MR. T. BENNETT: when it is in service
and it leaves a little bit to be desired as far as these
people are concerned, Mr. Minister.

MR. BRETT:

Yes, Mr. Speaker, I realize that there may be some difficulty in small towns that have town councils because of their tax structure. I realize that. But it is my understanding that the grant structure has been changed and that they are receiving more money for Winter maintenance and it does not necessarily mean that they have to buy snow clearing equipment. They can do the same thing that this department does. In many cases in small communities they can rent snow clearing equipment. That does not necessarily mean that they have to buy it. I acknowledge the fact that these smaller towns are going to have some difficulty. I agree because I have it in my own district. You get a small community with a population of three or four hundred people and they have a town council and they just have not got the tax base; and it will be difficult, but with the increase in the grant they will have to rent. We will co-operate where we can but we have geared up not to plow in town council areas and we will be sticking to that.

MR. SPEAKER (Simms):

The hon. member for LaPoile.

MR. NEARY:

Mr. Speaker, my question is for the Minister of Justice, Sir. Would the minister indicate if the director of EMO, if that position has become redundant, as I think it should, or does the minister intend to fill that position and, if so, would the hon. gentleman indicate when the appointment will be made?

MR. SPEAKER:

The hon. the Minister of Justice.

MR. OTTENHEIMER:

Mr. Speaker, we certainly do intend to fill the post. There were advertisements some time ago and there will be an appointment early in the New Year.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Would the hon. gentleman indicate whether or not - the Minister of Justice (Mr. Ottenheimer)-whether or not it would be -

MR. SPEAKER: Order, please! I would like to remind visitors to the gallery that they are not allowed to participate in any way by talking, clapping, etc.

The hon. member for LaPoile.

MR. NEARY: Will the recommendations of the Public Service Commission dictate the appointment, number one, on the top of the list, or will the minister make his own appointment to this position?

MR. SPEAKER: The hon. Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, the post was advertised through the Public Service Commission and in the normal procedure the Public Service Commission makes a number of recommendations in specific order and although that is not binding on the government or on a department, it is our intention in making the appointment to observe the order recommended by those who were interviewed and applied.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary.
The hon. member for LaPoile.

MR. NEARY: Would the minister indicate if local preference will prevail in this matter? And would the hon. gentleman indicate if he has the recommendations already on his desk?

MR. SPEAKER (Simms):
Justice.

The hon. Minister of

MR. OTTENHEIMER: Mr. Speaker, I have seen the recommendations in terms of , you know, local preference. Would that apply or not? I do not think one gives a simple yes or no answer to that. For example, just to give some examples and not necessarily relating them to any person - right? - you could have a Canadian who has lived in Newfoundland, let us say, for ten years, his children go to school here, he has been here for ten years.

MR. NEARY: An RCMP officer.

MR. OTTENHEIMER: It could be an RCMP officer, it could be a customs officer, it could be somebody in private business, it could be a civil servant.

MR. NEARY: Right on. I have the answer now.

MR. OTTENHEIMER: Would the hon. gentleman let me finish? I think myself it would be quite unfair then to say that local preference that that man or woman is not a Newfoundlander. So we do not intent to, you know, recruit an Afghanie

MR. OTTENHEIMER:

or any fine citizens from, you know, different parts of the world, but our understanding of local preference is one which does not preclude as a Newfoundlander somebody who was not born in Newfoundland, but a person who has substantial connections in Newfoundland is, I think, justly and properly regarded as a Newfoundlander.

MR. NEARY: Now I can tell you who is going to get the job. I can tell you who is going to get the job now.

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

MR. OTTENHEIMER: Like in the offshore regulations (inaudible) it says that it is two years.

MR. SPEAKER: Order, please!

The hon. the member for Windsor - Buchans.

MR. FLIGHT: Mr. Speaker, my question is for the Minister of Development (Mr. Windsor). I wonder if the minister would tell the House whether or not the reduction that was applied to the building lots owned by Newfoundland and Labrador Housing around the Province, and specifically the one in Windsor where eighty-one lots have been there for six years and not one lot sold, would the reduction that he announced over a month ago have had any effect on their saleability? Have lots been sold as a result of that reduction?

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

MR. WINDSOR: No, Mr. Speaker, it had no effect whatsoever, simply because it was subject to budgetary provisions. If the hon. House provides us the funding in next year's Budget, then it will be effective, as I stated, at that time when the funding is made available by the House.

MR. WINDSOR: It obviously would not have had any effect up to this point in time.

MR. FLIGHT: A supplementary, Mr. Speaker.

MR. SPEAKER (Simms): A supplementary, the hon. the member for Windsor - Buchans.

MR. FLIGHT: Is the minister confirming that there have been no lots sold in any of those communities as a result of the 10 per cent reduction the minister announced, and the whole purpose was to move the lots so that Newfoundland and Labrador Housing could stop paying interest and all the rest keeping the lots going up? Not one lot has been sold as a result of the reduction?

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

MR. WINDSOR: Obviously, Mr. Speaker, if the reduction does not take effect until the 1st of April, or at whichever point in time the hon. House approves funding through the Housing Corporation to reduce the price of those lots, then the lots are not going to sell until that time. But there have been a lot of enquiries as to -

MR. NEARY: When did you make the announcement?

MR. WINDSOR: We made the announcement, Mr. Speaker, to answer this question from over there, we made the announcement so that people would be aware that the lots prices have been reduced, that they can make their plans and that they will be in a position to start construction first thing in the Spring. The lots will be made available just as soon as we can in the Spring depending on budgetary approval.

MR. FLIGHT: A supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary, the hon. the member for Windsor - Buchans.

MR. FLIGHT: Would the minister indicate whether or not the buying public, the people who live in the various

MR. FLIGHT: communities where the announcement on these lots has been made that there would be a reduction, have shown any interest in buying lots when the programme comes into effect, based on the size of reduction that has been offered by the minister?

MR. SPEAKER (Simms): The hon. the Minister of Development.

MR. WINDSOR: Yes, Mr. Speaker, there have been a tremendous number of enquiries. I cannot indicate exactly how many enquiries we have had in relation to each particular subdivision or each particular municipality, but there has been a great deal of interest expressed as a result of the subsidy.

MR. FLIGHT: ? final supplementary, Mr. Speaker.

MR. SPEAKER: I had indicated a final supplementary but the other two members have asked questions.

The hon. the member for Windsor -
Buchans.

MR. FLIGHT: I wonder if the minister would advise the House whether any of these enquiries have been based on the fact that the lots in Wabush were reduced by 50 per cent while the lots in communities like Windsor were only

MR. FLIGHT:

reduced by ten per cent? Were any of the inquiries as a result of that and based on that kind of desire for people to know why?

MR. SPEAKER (Simms): The hon. the Minister of Development.-

MR. WINDSOR: A most unusual question, Mr. Speaker. If the hon. gentleman is asking me were there any questions on that, no, not to me directly other than the question which the hon. gentleman put to me here in the House of Assembly two weeks ago and I made three attempts to try to explain it to him. Perhaps if he does not understand it he can put it on the Order Paper and I will try to put it down in ABC so that he can understand the answer.

MR. STIRLING: A supplementary, Mr. Speaker.

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

MR. STIRLING: A supplementary to that same question. In view of the fact that the announcement has been made and people can make a start in the Spring, will the minister consider allowing people now, because since the government does control the budget and there is no question it is going to go through, will you now pre-sell so that people will know in advance that they can get those lots and finally pay for them in April so that they can now know which lot that they have, that the the lots can be sold, that the ordering can be done and that people will not be guessing and having to line up in April? Would the minister consider that?

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

MR. WINDSOR: Mr. Speaker, no I would not consider trying to pre-guess what the hon. House of Assembly will approve or will not approve although I am very pleased to hear

MR. WINDSOR: an indication from the Leader of the Opposition's statement that the Opposition will indeed support that part of the budget. I am glad to see that they understand that this is an extremely valuable programme and a very worthwhile one. We cannot pre-sell the lots at that price until the House gives the Housing Corporation the authority to reduce the lot prices. Obviously we cannot do that, but when the lots do go on sale they will go on sale in the normal manner, the sale date will be advertised and everybody will be given equal opportunity to make purchase bids.

MR. SPEAKER (Simms): The time for Oral Questions has expired.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

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

MR. WINDSOR: Mr. Speaker, I would like to table the answer to a question from the hon. member for Torngat Mountains (G.Warren), question No. 45 on the Order Paper of yesterday. Not twenty-four hours ago, Mr. Speaker, that is performance.

SOME HON. MEMBERS: Hear, hear!

MR. WINDSOR: The question was, "has the Provincial Government made a decision regarding a financial grant that has been requested by CN for the construction of the St. John's synchrolift? Secondly, could the minister advise what was the amount of the grant that was requested?"

To properly answer these questions it is necessary to briefly summarize the efforts over the past few years of Newfoundland Dockyard Limited, a subsidiary of CN, to construct a synchrolift at its St. John's operation. These efforts have been supported by the Government of Newfoundland and Labrador since the beginning. In 1979, an accord had been reached between the Federal Government and CN whereby the Federal Government had approved a contribution of up to \$15 million in 1978 dollars.

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MR. WINDSOR: By way of a letter dated June 20th., 1980, a submission dated June 26th of '80, Mr. Armstrong of CN Holdings made a proposal for the Department of Industry Trade and Commerce.

MR. N. WINDSOR: The proposal was based upon a review by federal officials which suggested that the cost estimate could be reduced to \$21 million through modifications and other cost savings and that the federal government's authorized spending limit was then \$18.5 million in 1980 dollars.

In summary, the proposal was that the federal government provide \$18.5 million at 11 per cent interest rate for twenty-five years through the Department of Industry, Trade and Commerces with a balance up to \$2.5 million to be raised by CN. Of the \$18.5 million, 65 per cent or \$12 million is guaranteed to be repaid to the federal government by CN. If the annual profit of the Newfoundland Dockyard over the twenty-five year term exceeds \$300,000, 25 per cent of the excess will then be applied against the outstanding \$6.5 million.

Timing on the project was critical as further delays could result in the loss of a possible 100 to 200 new jobs at the dockyard and risks the present 330 jobs. While no official response to CN's proposal was received, in late July the Minister of Revenue announced publicly that the reasons for delay were related to the Province's Commission of Inquiry to Marystown Shipyard Limited and the problems were with receiving a long-term Russian contract. After careful analysis both arguments were strongly refuted by the hon. the Premier at a public statement dated August 5th, 1980. At the same time it was made known that the Province was making an offer of financing in order to avoid any further delay of this vital project. After further discussions with CN officials the hon. the Premier in a letter dated August 15th, 1980, to Mr. C. F. Armstrong, President of CN Holdings confirmed the Province's willingness to provide a financial package for the synchrolift project which would allow CN's financial

MR. C. POWER: position to remain the same as projected in its proposal to the Department of Industry, Trade, and Commerce. The Province's offer was conditional upon achievement of a timely and suitable accord between CN and the Government of Canada to ensure an early start on the project and to enhance its future viability. Since then considerable time has been spent by CN in negotiating transfer of the required land from other federal agencies. I understand some satisfactory arrangements have recently been made. Unfortunately, despite several requests by CN and representation by the Government of Newfoundland and Labrador, the federal government has not responded formally to allow CN permission to proceed with this very critical and vital project.

MR. SPEAKER: (Simms) Any further answers to questions?

PRESENTING PETITIONS

MR. SPEAKER: The hon. Minister of Forest Resources and Lands.

MR. C. POWER: Mr. Speaker, I would like to take this opportunity to present a petition on an extremely contentious and important issue as it relates to my district which is, of course, an inshore fishing district that runs from Petty Harbour to Cappahayden and includes, I guess, as many as 500 to 600 fishermen and as many as 1,600 to 2,000 plant workers. I guess, we have nine processing units, primary processing plants in my district and one for caplin and squid, so we have ten units processing cod and other fish species.

AN HON. MEMBER: (Inaudible)

MR. C. POWER: Well, they have a licence for squid and caplin, that is a start, I guess.

Mr. Speaker, this petition is an extremely important one from our point of view being a totally inshore fishing district. I would just like to read

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MR. C. POWER: the prayer of this petition. It says, 'We, the undersigned bona fide fishermen - as many as 500 signed this petition - of the Southern Shore of Newfoundland denounce and bitterly protest the issuance of licences for the purpose of pair trawling and inshore

MR. POWER: dragging in the area designated 3L. It is obvious that no consideration was given to this matter when licenses were issued since the breeding and feeding grounds of cod and other species of fish once torn up and mutilated will result in almost immediate destruction and depletion of the stocks in the areas affected. If this were to happen, the effects on fishermen, their families, local fish plant workers and their families would be drastic. At the present time there are ten boats licensed for inshore dragging that would be operated in the 3L area. This can increase in a very short time if other boats decide to move into the area during the coming fishing season. One such dragger is adequate to cause the destruction mentioned above and thus put out of business the balance of fishermen who are now earning their living from the cod trap, longline and inshore trawling methods. In other words, the livelihoods of thousands of fishermen is being jeopardized for the sake of thirty or forty. This is a situation that must be recognized and rectified forthwith. We trust it will." This petition, Mr. Speaker, is one as I say is difficult to emphasize the importance of to our district of Ferryland where we have almost a total inshore fishery and I suppose the only primary production, with the exception of a couple of sawmills in the area, the only primary producer along the whole stretch of coastline between St. John's and Trepassey is the inshore fishery, almost all conducted with thirty-five foot boats and less. To allow our inshore draggers to come into that area can be totally destructive. And as it has now happened where there are two licenses in Trepassey and a third one coming to my area of Fermeuse this year coming up, and as many as seven or eight others licensed - and it seems to be for

MR. POWER: some strange reason in the federal Department of Fisheries licensing system that there is no limit set on the number of inshore dragging licenses that they can give out. We cannot seem to get a word on it, yes, that ten would be the maximum because they say that the eleventh or the twelfth or thirtieth or the fortieth person comes in and ask for a license then we have no, I suppose, alternative but to give those licenses. It is a clear indication, Mr. Speaker, were the Government of Canada and the federal people who are responsible for licensing are going to have to consult with somebody in Newfoundland about what they are doing in the fishery. Now that consultation, if they do not want it to be with the provincial government, which maybe has a different political stripe -

AN HON. MEMBER: (Inaudible) the fishermen.

MR. POWER: - maybe they do not want to get along with the government in Newfoundland. That is one issue. But somebody in Ottawa, in this licensing system especially where it relates to inshore draggers in my district, somebody in Ottawa has got to be - or in Moncton or someplace else has got to come along our coastline and ask either the fishermen themselves of the representatives, I guess, the union itself or Mrs Payne from the -

AN HON. MEMBER: The wives, yes.

MR. POWER: The wives for the rights of inshore fishermen, who had an important role to play in getting this petition circulated through the wives of fishermen along my coastline, that somebody in Ottawa is going to have to start talking to somebody in Newfoundland about we do in the fishery.

AN HON. MEMBER: The other way around.

MR. POWER: And the other way around. We are more than willing to talk. I represent these

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MR. POWER: fishermen in the provincial House of Assembly and certainly Mrs. Payne represents the wives of the fishermen, the union who represents the fishermen themselves, and the ministers and the government who represents the total package in Newfoundland are willing to discuss with Ottawa these types of problems that we are having. But again it is a matter of being given the opportunity to consult. And in this case, what people must realize is that an inshore dragger that comes along our coastline can

MR. POWER: do a tremendous amount of damage to the point, in fact, of destroying what we now have as 2,000 people making a living from a total inshore fishery where we could have as few as eight or ten of these boats employing four or five persons each and you could destroy the livelihood of certainly several hundreds of fishermen and their families and probably many plant workers as a result. Mr. Speaker, it is certainly a pleasure to go along any part of our coastline during the Fall, in the Renew's Rock area, and see absolutely hundreds of fishermen out doing an inshore fishery and making good money. But these inshore dragging licenses can destroy this fishery completely along our coastline. It is not the only problem we have. We have many other problems that somebody in Ottawa, where no fish is caught, or in Moncton where, I guess, there is not a lot of fish caught either, that somebody in those places who responsible for the management of our fisheries are going to have to start taking their heads out of the sand and start consulting with the people in Newfoundland who really know something about the fishery and until that is done then we are going to continue to have these types of problems which will put the lives of all of our fishermen and their families in jeopardy.

Thank you, Mr. Speaker.

MR. SPEAKER (Simms):

Any further petitions?

The hon. member for Burin-

Placentia West.

MR. HOLLETT:

Mr. Speaker, it is with pleasure that I have the opportunity to rise again this morning. Number one, Mr. Speaker, I would like to apologize to all members of the House for getting upset over a fisheries related matter. I guess in all fairness it was not a fishery related matter I got upset over but it was because the hon. minister took twenty minutes to make a four

MR. HOLLETT:

minute Ministerial Statement.

MR. SPEAKER:

Order, please!

MR. HOLLETT:

Thank you, Mr. Speaker.

But also I would like to support the prayer of this petition and the principle. I think it really points out the problems that we have in this Province apropos the fishery.

Mr. Speaker, the hon. member in presenting the petition referred to pair trawlers, inshore trawlers, and did not really refer to offshore trawlers which I suggest are also involved. But, Mr. Speaker, because of the geography of our country, the hon. member's riding is right in the navigation line of every Canadian, Mainland, Newfoundland deepsea trawler, mostly foreign trawlers, and today with the sophisticated equipment that we have, the sonar, if there are enough fish there to shoot away for the trawler, they will do it, on a foggy night, a dark night, on a day when it is too stormy for the inshore fishermen to get out.

Now, Mr. Speaker, I know the hon. member's district fairly well and I really believe that there has to be at least a boxed-in area. They are very short, Mr. Speaker, on what I refer to as inshore fishing grounds; if you look at the shoals and the rocks and the banks, a very small amount. And I think there has to be a boxed-in area. And, Mr. Speaker, in all fairness also I cannot support saying all 3 L because, Mr. Speaker, all 3 L starts at Cape St. Francis, it goes East approximately 250 miles, South to about 70 miles South of Cape Race, West towards Placentia Bay and into and including Cape St. Mary's. Mr. Speaker, this also includes a large portion

MR. HOLLETT: of where our Newfoundland deep sea fleet catches a large portion of its fish.

So, once again, as the hon. the minister mentioned, he said, 'Somebody has to do something about it.' Mr. Speaker, I would like to be more specific on the 'somebody' and I would like to suggest it is about time, Mr. Minister, that we in this Province show by example that we are the 'somebody'. I think it is time for us to prove we are entitled to shared jurisdiction. I think it is about time that we ensure we make an input in everything that happens to the fisheries in the Province. Now, Mr. Speaker, if we do nothing else for 1981, I think we should all declare a moratorium on playing politics with fishermen and fish.

SOME HON. MEMBERS: Hear, hear!

MR. HOLLETT: And I, as spokesman for fisheries on this side on behalf of my colleagues, will commit them. I will commit them that we will not play politics with fish if all other hon. members would do likewise.

AN HON. MEMBER: (Inaudible) oil.

MR. HOLLETT: No, I am not worried about oil. Oil is only secondary. When I am gone the oil will be gone and there will still be fish, hon. member.

AN HON. MEMBER: That is all -

MR. HOLLETT: And by the way, Mr. Speaker, he is not allowed to speak, he is not in his chair.

Mr. Speaker, in all seriousness, I think it is about time. Because the hon. the Minister of Lands and Forests (Mr. Power) brought up a point so terribly important; he is talking about conflict of gear, he is talking about the future of the Province, a region of the Province, a renewable resource and everything else, and I am happy he did. I am glad to support the principle and I will do whatever I can to

MR. HOLLETT: ensure that people, in that area, and their children are assured of a bright future.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): The hon. the Minister of Fisheries.

MR. MORGAN: Mr. Speaker, in speaking on the petition, which I discussed briefly a couple of days ago with Mrs. Payne in connection with the concerns in that area of my colleague's district, first of all I have to say that nobody is playing politics with fishermen. If playing politics, in response to the Opposition spokesman, means putting forward the views and concerns of thousands of fishermen, that is, putting forward their concerns to the provincial Department of Fisheries, well, if that is playing politics, that is the way it will be forever if we have to put forward the concerns of the fishermen, such as these fishermen here in Ferryland. Putting forward our concerns, if that means playing politics, it will be played.

Now, Mr. Speaker, consultation is the key and the hon. gentleman said that we should make it quite clear where the authority lies for these kinds of problems. The fact is, my predecessor, if I recall, put forward the proposal to rectify these kinds of problems. I am not sure if it was this specific area of the Province, but I know in other areas of the Province, one of them being my own, the Bonavista Peninsula - my predecessor, Mr. Carter, asked the federal government - and in fact, I followed up as the new minister after he left the department, along the same lines - asked the federal minister (Mr. LeBlanc)

MR. MORGAN:

to establish buffer zones to protect draggers - we call them small draggers, they are medium size because they are longliners actually with draggers licenses. The hon. gentleman got confused where the problem lies; it is not with the offshore draggers, it is with these small boats with dragging licenses, in this case approximately twenty to thirty licenses of that type. And the inshore fishermen, the cod-trap fishermen, the hand-lined fishermen, are asking that the problems they are having with these twenty or thirty boats, action be taken to prevent that kind of a problem. It is not the offshore large boats or trawlers. So, Mr. Speaker, we will again follow up with the federal minister and ask again that buffer zones be established to protect the inshore small boat fishermen from these boats who are holding draggers licenses. And I will follow up along the same lines again now and ask the federal minister to look at this area in particular, looking at the fact that fishermen have spoken, they put forward their views accordingly, they want this done, they want some action taken and the action can be taken by Ottawa and hopefully it will be.

Thank you, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

ORDERS OF THE DAY

MR. MARSHALL:

Order 34.

Order 34. Second reading of

a bill, "An Act Respecting The Assessment Of Real Property And The Imposition And Collection Of Certain Taxes In The City Of St. John's ". (Bill No. 84)

Debate was adjourned by the

hon. member for Carbonear.

The hon. member for Carbonear.

MR. MOORES:

Thank you, Mr. Speaker.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Simms):

Order, please!

MR. MOORES:

I think perhaps it is necessary, Mr. Speaker, in winding up my comments on this bill presently before the House, that I repeat a number of the major objections that we as an Opposition have to this piece of legislation. First of all, let me say to the minister that I cannot support this bill. I cannot and I will not support it. And my understanding from my caucus is that we are not going to support it and if necessary we will continue to raise objections to this legislation for as long as possible until we, as responsible members of this Legislature, can be assured that the government of this Province or the City of St. John's, or both, can assure us that the money, the thirty-six per cent presently levied on the landlord-tenant relationship in this city, unless that money can be returned cash-in-hand to the tenants who will be affected, positively affected by the change to the capital value system in this city, unless we can be assured that this government or the City of St. John's is prepared to take legislative action to protect these tenants, that we are not prepared to support this legislation. Because if we did - and I should point out to the minister

MR. R. MOORES:

that the principle of the legislation is good. We are not objecting to the basic principle of the legislation. Any legislation which intends to better equalize the tax burden within a city or a municipality or a province or whatever, any legislation that intends to do that we cannot object to. But at the same time you cannot expect us as thinking individuals, as responsible members of this Legislature, to let you do something fair with your left hand and something unfair and irresponsible with your right. Those are not consistent, those are not compatible and I am disappointed that the minister would allow herself to be aligned with legislation of this sort that has taken no action in itself to protect the tenants in this city who are about to be robbed, literally robbed, of the 36 per cent savings that will incur from this legislation. It may not be totally 36 per cent but the point is until it is proven otherwise, there will be a substantial saving to the tenant. And it is my opinion that the onus is upon the landlord to prove that he needs the money.

SOME HON. MEMBERS: Hear, hear.

MR. R. MOORES: It is not, as the Landlord-Tenants Board says, the onus upon the tenant to bring forth an objection to the Board for a ruling. That is not the way our system works, nor should it work that way. You have 6,000 to 8,000 tenants and you have four or five profiteering landlords in this city.

AN HON. MEMBER: Hear, hear.

MR. R. MOORES: And I might say for the most part, unscrupulous landlords, because I have been renting in this city myself now for the better part of a decade, I have been paying rent to one landlord or another including a number of the major ones that I mentioned by name here yesterday, and you never get a fair break from them. All they are

MR. R. MOORES: in this business for is a fast buck and many of them, through no fault, by the way- or I should say perhaps with lots of fault to this government, many of them have made a fast buck in the last few years particularly.

MR. S. NEARY: Right on, right on.

MR. R. MOORES: That is the major objection to this bill. There are a number of others,

MR. R. MOORES: perhaps more rhetorical than substantial, but this is the major objection and we cannot permit it to go through, because to do so would be acquiescing in bestowing upon the tenants in this city unfair legislation, an unjust piece of legislation. And we need not do that. All that the government has to do, all that the minister has to recommend to her colleagues, is that a clause be placed into this bill, an amendment accordingly, in third reading, that the landlord must return the savings difference between what the capital value tax will give to the tenant as compared to the old rental value system -

MR. NEARY: Hear, hear!

MR. MOORES: - cash in hand. And then, if the landlord wants an increase in rent, let him go to the landlord/tenants board and present his case - simple, very unassuming and just as fair as the basic principle of the bill. So all that the minister would be doing in recommending this amendment is to be consistent with the basic principle of the bill, which is to spread the tax burden in the city evenly amongst all of the people, or as evenly as possible.

There are a number of other objections, Mr. Speaker, that I have, and I say to you quite frankly they are probably more rhetorical than substantive. And I do not say that in any way, taking from the criticism itself. I do not like the idea of the City Council not having the courage and the fortitude to bring this matter before the people prior to the 1981 general election. That, to me, does not show much leadership. That, to me, does not show much conviction to a cause, a principle that is supposed to be so basic and fair. And some of these city councillors seem to think that the sun shines from their heads. Well, that is perhaps because

MR. MOORES: they like circumventing an issue
rather than going to the people directly with it.

 I mentioned yesterday, Mr. Speaker,
the discriminatory action of this government as seen on
dozens of different occasions since I came into this House
five years ago, where the City of St. John's is given
privileges that no other municipality or no other community
in this Province is given. Here they are now given a

MR. R. MOORES: five year opportunity, from 1982 until 1987, five years in which to phase in the taxation burden and the argument, of course, is a good one, the argument is right that any economic impact of this nature. impact that will increase taxation substantially should be phased in so as to lessen the impact on the taxpayer. Fine, no problem, I have no problem of rationalizing that, none at all, But I do have a problem rationalizing why the town of Carbonear, a town of 8,000 people, three years ago when the now Premier of this Province was the Minister of Municipal Affairs, was told unequivocally that 'you must impose a \$144 a year taxation rate on your water.' To some, particularly those on fixed incomes, senior citizens and the like, it meant in some cases a 300 per cent increase-but no phase-in. In fact, I was at the town council meeting and raised the objection at that time when the now Premier of the Province was in attendance and he said, 'No phase-in period, You do it now or this government will seriously review your capital grants for the upcoming year!' But when it comes to the eight seats by the way, Carbonear at that time, as it is now was a good Liberal seat - but here in the city of St. John's where you have eight or nine, actually nine, city seats, all PC, and you have nine councillors, seven of whom are aspiring or publicly committed PCs, 'No problem at all, boys, phase it in over twenty years if you like, we will still give you your capital grants, we will still give you more than you deserve from the taxpayers of this Province.'

There has been more pavement, Mr. Speaker, placed over pavement in the city of St. John's this year than has gone into the whole district of Carbonear in the last eight years. Now, let me restate that, more pavement over pavement than has gone into the entire district,

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MR. R. MOORE and if I might go a little further,
my colleagues from Harbour Grace (Mr. H. Young) and Port de
Grave (Mr. R. Collins), more pavement has gone down over
pavement in St. John's than the whole of Conception Bay.
Now you do not mind if St. John's needed the pavement,

MR. MOORES: if they were up to their knees in potholes and if the lives of people, sick people and the elderly were jeopardized by a lack of good roads, you would not mind that at all. I could see that. In fact, I might even get up in this House and support it. But you should see some of the roads in this city that were paved this year. It is unbelievable. They were in perfect condition in comparison to the Conception Bay Highway, perfect. You could slice a diamond, as they do in the advertisements on TV, you cut a diamond in the back seat of a Ford on the street, and they came in with the paving equipment and put down another two inches and that type of discrimination, Mr. Speaker, is rampant and has been since 1972. The rural parts of this Province, the small communities have been suffering immensely because of a negative influence in the Cabinet of this Province and in the government of this Province, a negative influence against rural Newfoundland in favour of the City of St. John's. And I am not talking about the rhetoric we hear in the House of Assembly. I am talking when it comes down to a crunch, I am talking when it comes down to a synchrolift for the CN dockyard or the effect on Marystown. What was the editorial stance of the Evening Telegram on an issue like that? Naturally it was in favour of St. John's. What was the stance of the government of this Province? Naturally it was in favour of St. John's. And the Premier of this Province, a pretentious bayman - I say pretentious because he likes to pat himself on the shoulder and say he is a bayman - but when it comes right down to the crunch he knows where the votes are, he knows where the seats are in this Province, he knows where he has to place his influence and he knows what his decision must be, in favour of City Council. And here is the same

MR. MOORES:

thing here now, Mr.

Speaker, in this bill, the government of this Province and City Council have no intention of placing confinements on the landlords who will actually rob, and make no bones about it, actually going to rob the tenants who supply him with his bread and butter. He will never get the money, never get it cash-in-hand if we have to rely upon the legislative action of this government or the City of St. John's.

SOME HON. MEMBERS:

Hear, hear!

MR. MOORES:

And do you know something,

Mr. Speaker, in talking to officials on all three levels yesterday, it really does not matter to them. They had one meeting with the Landlord Tenant's Board on the matter, City Council did, its officials

MR. MOORES: and they came to an agreement to disagree - or I should say an agreement to agree that there was nothing they were going to do. And that is a real tragedy, because the same city councillors will stand up with a halo over their heads and they will say, 'You know, this legislation is our creation. It is our responsible response to the main criticism of the landlord and the tenant in this city over the last decade. Now, here it is, and it took us ten years, boys, to get it to the House of Assembly. But here it is, and what a piece of legislation it is! We are all so proud of this and we are all so happy that the property tax in this city will be changed to a capital value system.'

Mr. Speaker, if I were asked my personal opinion on this as a citizen of Carbonear, I would say to you quite frankly, no bones at all, that I could not care less what goes on in St. John's, and I have been conditioned to that attitude because St. John's has been sucking the people of this Province dry for 150 years. I am conditioned to that, because when I go to Carbonear and I see roads and I see public facilities and, you know, the whole range of government services being almost criminally neglected, I am conditioned to say that I do not care what goes on in St. John's. I do not live here. I am forced to live here for six months of the year, I am poisoned with the place, I do not want to live here.

SOME HON. MEMBERS: Hear, hear!

MR. MOORES: And as long as I have that attitude - you know, I have to say I am being a bit pretentious myself this morning, because I am up here speaking as a tenant in this city. I am speaking as a tenant and, you know, I really could not care less. Once I go out of here now in an hour or two, I will be on my way to Carbonear where

MR. MOORES: I have a couple of functions, and I will go over and I will stay with my parents for the weekend and I will traipse back in here on Monday morning over a frozen road that will not be sanded by the Department of Transportation and Communications.

MR. NEARY: Right on!

MR. MOORES: I am liable to end up, you know, out in Spaniard's Bay harbour or something on the way along, and I will come back in to St. John's and the roads will be just as clean, my boy, as you have ever seen them - lots of salt, lots of sand. The people's money, the Province's money -

MR. NEARY: Lots of police protection and fire protection.

MR. MOORES: - Lots of police protection, fire protection. My son, what a life they live in here, and all on the taxpayers of the Province.

You know, you go up, Mr. Speaker - and I can go on, you know, for a week if anyone wants to go for a coffee - I can go on for a week on this topic because I have been conditioned to it. I am not speaking in theory, I am speaking in fact. I have experienced it myself. And hon. members opposite will rise in their places and will say, 'Well, look at all the money we have

MR. R. MOORES: given to Carbonear and Lewisporte and St. Anthony and so on, and the ferry service from Fogo and they will go on and on and try to put it in dollar value. And you go up and you have one intersection by the Holiday Inn that cost \$1 million and now they are going to resurface all of Prince Philip Drive, they are going to put - well, talk about a reaction to an incident, an impulsive reaction to an incident: when someone in Carbonear gets injured or killed or something, no talk about doing the roads or improving the sidewalks or anything else, but if it happens in St. John's, look out, boy!

MR. HODDER: They put them in jail out in Port au Port.

MR. R. MOORES: Look out! They are liable to move the whole city. And there is the crux of the matter, Mr. Speaker.

MR. F. WHITE: But we are still standing up for the people in the city.

MR. R. MOORES: Right on. I mean, the poor people in this city, I mean, are no different than the people in Carbonear.

MR. NEARY: But they are going to get the gaff now with this.

MR. MOORES: You know, they are no different. In fact, of the 17,000 households that will be affected by this change in taxation system, I would say 10,000 of them are former baymen, a minimum of 10,000. I know hundreds myself in here from Carbonear alone -

MR. NEARY: Here is one right here, look.

MR. R. MOORES: That is right, including I have three sisters and two brothers that is five right off the bat. They are only simple people. It is the fraud that goes on, and I use that word in the general sense of the word, the fraud and the -

MR. NEARY: It is shameful.

MR. R. MOORES: - yes, that goes on by petty politicians in this city, men, you know, that take them outside of this city and they would not last that - look.

MR. S. NEARY: That is right.

MR. R. MOORES: They would not know what to do or how to go about it -

MR. HODDER: Could not even catch a rabbit.

MR. MOORES: - could not even catch a rabbit, you know, there is just no substance there. Do not mind the relevance. This is a general bill, this is.

SOME HON. MEMBERS: Oh, oh.

MR. MOORES: Now, let us get on with perhaps something more relevant, Mr. Speaker, and this is a little pet objection that I have had for years now. See, in 1968 when I was eighteen years old I missed getting elected to the Carbonear Town Council by two votes, only two, and the likes of which had never been heard at that point. I do not think there was a councillor in the Province under fifty.

MR. NEARY: Now, hold on, now! hold on!

MR. MOORES: I am being illustrative by suggesting that most of them were older people. The idea of a young person trying to get into politics,

MR. NEARY: And I thought I was young.

AN HON. MEMBER: How old were you?

MR. MOORES: I was about eighteen then. Two votes I missed by, and at that time it was a pretty tough race because Guy Earle, who was a very prominent, very respectable man, a very fine man for the community of Carbonear, died of a heart attack, and his brother, who later confronted me in 1975 as the P.C. candidate and whom I subsequently defeated, wanted the man of his choice in that seat, so I ended up losing by two votes.

But anyway, Mr. Speaker, my point is one of the main planks of my election platform at that time was the taxation system and how it should be changed to better equalize the tax burden. And one of the things that I objected to in present legislation, which was in effect then and is presently in effect, was the seizure of private property for the repayment of taxes. I never have agreed with it and never will agree with it, and if and when I become a member of a government in this Province, I will be recommending as best I can that this aspect of municipal legislation be thrown out.

A city, a government of any kind in this country has plenty of opportunity through the courts, through attachment of wages and a number of other procedures to acquire debts that are owing. If somebody pays me with a rubber cheque today, there are all sorts of procedures that I can use to reacquire my money. I perhaps never will, but there are all sorts of procedures that are provided to me.

MR. MOORES:

One of the procedures that I do not have is a power open to a government, and that is to seize property that could be worth a hundred times more than the taxes owing and place that property up for auction just to acquire a couple of thousand dollars. Now, I am not talking about the slum landlords in this city or any town, the slum landlords who pocket the money and reinvest it and shamefully allow property to deteriorate and do not pay any taxes on it. I am not talking about those people. That is fine. If you could single those people out in legislation, which you can do - this Legislature can do almost anything theoretically can

MR. R. MOORES:

take a man's life - and if you can single out those slum landlords and say, well, look, in circumstances like this the courts can seize property or the government can seize it, but what I am talking about is a householder, like myself, for instance; if I were to lose the upcoming election I could not even go on unemployment insurance. I do not pay in, we are not allowed to pay into unemployment insurance, so if I lost, if I had no savings or no other form of employment to go to right away, I would be without any money at all. And there are lots of people in this Province worse off than I would be in that case. If they lost their jobs, if they became sick or their wives became sick or there was a family tragedy of some sort where they could not afford to pay taxes, they would go to an incompassionate town council, to begin with, to put forth their argument and they would say 'Well, boy, you know. taxes are taxes and you have to pay them.' And inevitably what happens if that person cannot pay them is property, which is worth in some cases hundreds of times more than the taxes owing, can literally be seized. I have never agreed with it and never will. It just simply should never be allowed in a society like ours.

SOME HON. MEMBERS: Hear, hear.

MR. R. MOORES: Let City Council go to the courts, attach wages, do whatever is necessary but do not take a man's property away from him. Because if there is one thing in our British system of democracy that is almost primary to our existence it is our property laws and our property rights. A man's property is everything; taxes are something that came after, taxes were something that were contrived by governments. In fact, for many, many, many years in England real property taxes were never allowed. I think it was the Reform Bill of 1832 that set the stage for real property

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MR. R. MOORES: taxes but it was fifty or sixty
years later before they were even thought of. But in

MR. MOORES:

the days of Walpole in England, real property taxes were forbidden. The taxes that they had then were excise taxes- customs taxes and that type of thing. It is only in modern times that the real property tax has come in, and if I might go a step further, I would say that this government, particularly, tends to have an attitude that they use real property tax as almost a punishment; a goal towards self-sufficiency is the word, self-sufficiency of the municipalities in this Province. And what self-sufficiency means, if there is anybody in this House who does not realize what self-sufficiency means, it means that the municipality must increase its tax rate and increase its tax base in order to pay off its interest debts, water and sewerage, etc., etc. And I am telling you, that is a frightening prospect, gentlemen, self-sufficiency in this little Province for municipalities. Our Province is not even self-sufficient, never has been in its 400 year history. Never has it been self-sufficient. And we are here now - the government's Five Year Plan as it relates to local government is that municipalities must become self-sufficient. And I say to you now, that is an impossibility except by using real property tax and other taxation methods as punishments and as weapons towards that end. It is just a repugnant, repulsive, regressive attitude to have towards what is essentially a volunteer system that exists within this Province.

The government intends to convey, and I believe they really believe that local governments, town councils, work for money, that they get something out of this. You know, I have often said, in provincial politics I would rather have no other person running against

MR. MOORES: me for office than a mayor of a municipality, because I would not even open a campaign headquarters. And the reason for that is that they have been mixed up in municipal politics to such an extent that they become totally rejected and disliked by the townspeople.

MR. NEARY: How would you like the Mayor of St. John's to run against you?

MR. MOORES: I would not even go to Carbonear. If the Mayor of St. John's ran against me in Carbonear, I would go to Barbados on vacation.

SOME HON. MEMBERS: Hear, hear!

AN HON. MEMBER: So would she.

MR. MOORES: My point, particularly to the minister

MR. MOORES: who is an exception to that rule, I might add, and that says something for her; that says something for her competence and for her contribution to municipal politics.

AN HON. MEMBER: Hear, hear!

MR. MOORES: She is one of the real exceptions, and I agree, a very kind and very compassionate lady. I do not know the lady at all - we meet in the elevator occasionally. I probably know her daughter better because she is a teller at the bank where I do my business. But my understanding from very objective sources, she is a very kind, compassionate lady who has every good intention for this Province and the people she serves. And she is an exception to the rule of which I speak. That is unfortunate, Mr. Speaker, because the point I am making is that these people, local government, in this Province is voluntary. It is the cheapest type of administration that any provincial government could possibly have. They pay nothing and in return for paying nothing, in most cases, seven people on a town council administer hundreds of millions of dollars worth of finances, take the flack from the voters for it and-

MR. S. NEARY: They can get a salary now.

MR. WINDSOR: He does not know that. He has not read the act.

MR. MOORES: I have. In fact, I know one council has already voted itself salaries somewhere. Well, it will not happen in Carbonear, I assure you.

MR. WINDSOR: Is that right?

MR. MOORES: Not if the present mayor is still aspiring to take me on in the next election.

MR. NEARY: (Inaudible).

MR. MOORES: Or the mayor of Victoria who was appointed to the Recreation Commission last week. I would like to get a go at him, I really would.

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Tape 2922

EC - 2

MR. FLIGHT:

Who is that?

MR. MOORES:

a good man, too.

Frank Clarke, a fine young fellow,

MR. NEARY:

with the Tories?

Well, what is he doing? Sucking in

MR. MOORES:

Unfortunately.

SOME HON. MEMBERS:

Oh, oh.

MR. SPEAKER (Butt):

Order, please!

MR. MOORES:

So, Mr. Speaker, through the jigs
and the reels this morning - because before I leave, or
before I clue up my remarks,

MR. MOORES: I would like to say that we have made some very legitimate points on this piece of legislation. We have made some very sound objections. Apart from the aside comments, I believe, Madame Minister, I have tried to be as objective as I can be in my comments. I hope they have more effect on you than they do on the press because the press in this Province and this government - you cannot blame the press totally because this government is a government by press release, a government by Friday morning Ministerial Statements. I think I have made some fairly good comments on this.

SOME HON. MEMBERS: Hear, hear!

MR. MOORES: We will not get any coverage in the press, and I do not mind saying it either, because that is the problem, that is the problem, Mr. Minister, it really is. Because when the press -

MR. NEARY: We should have a Royal Commission on the quality of news.

MR. MOORES: - when the free press of a Province does not take an Opposition seriously, then there is one of two things wrong. Either the government has them bought off, or they are just not simply responsible enough to do their job. And that is a very serious problem, I will tell you, one that should not be taken lightly by the Minister of Mines and Energy (Mr. Barry) or anyone else in our society.

Yesterday afternoon I spoke for twenty minutes on this bill and raised essentially the same objections, and do you know what the Daily News had in it this morning? Not a single word from the Opposition side. Right here in front of me, not a single word from the opposition side. They stopped at the word, "And the city is anxious to start the new system this January," said Mrs Newhook." How about that?

MR. MORGAN: They are not taking you seriously.

MR. WINDSOR: Even the Daily News will not cover you.

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SOME HON. MEMBERS:

Oh, oh!

MR. MOORES:

I agree with you, yes.

I agree with you wholeheartedly.

SOME HON. MEMBERS:

Oh, oh!

MR. MOORES:

And that is fine, Mr.

Speaker, that will do me.

MR. SPEAKER (Butt):

Order, please!

MR. MOORES:

The Minister of Mines and Energy (Mr. Barry) is back in his seat. I am going to make you a promise: The next time you get up to speak I am going to interject every ten seconds. Okay?

MR. BARRY:

That is a threat, Mr. Speaker. I am going to ask for the protection of the Chair.

MR. MOORES:

Because until you arrived in this House there was no interjection. A senior member of Cabinet, a man, a professor at a university coming back and making a show of himself like that, like a child. Why do you not leave? Go out and have a coffee or something until I cue up my remarks.

SOME HON. MEMBERS:

Oh, oh!

MR. MOORES:

The likes of that, Mr. Speaker, this morning to come into this House and make a fool of himself. That is better. Stay out until I am finished.

SOME HON. MEMBERS:

Oh, oh!

MR. R. MOORES:

And would you believe, Mr. Speaker,

that will do me! That will do me! I do not want any coverage from the Evening Telegram and I could not care less about the Daily News because I am going in again in Carbonear.

SOME HON. MEMBERS:

Hear, hear!

MR. MOORES:

And you can take the Editor of the Evening Telegram or the Daily News or any one of them with the media and you - look, send them out and I will pay for their campaign expenses. I will give them \$10,000 right on the line and say, 'Here are your campaign expenses,' and then I will go off somewhere and go on vacation. That is how worried I am about the people in the media in this Province.

But that does not take away, Mr. Speaker, from the seriousness of my comment that if the press in this Province soon do not act fairly in the coverage of what goes on in this House, if the Opposition of this Province, whether it be me or any other spokesman, is not given fair play and accurate reporting, there is no one who will suffer only the people.

SOME HON. MEMBERS:

Hear, hear!

MR. MOORES:

I will go back in Carbonear and I will be back in this House, and so will a lot of others, but the main issues, the major issues not only of this piece of legislation but a number of others - I saw my colleague from Windsor - Buchans (Mr. Flight) on the ERCO bill give one of the finest and best researched speeches I have heard this session.

MR. NEARY:

Hear, hear!

MR. MOORES: And what happened next day in the Evening Telegram? The Minister of Mines and Energy (Mr. Barry) got at least 600 words of discussion and my colleague from Windsor - Buchans (Mr. Flight), you could hardly see it. Now, I ask you -

MR. BARRY: We raised the whole issue.

MR. MOORES: I ask anyone, I ask any fair-minded person in this Province, what is wrong with the man who wrote that? Was he drunk or was he looking at something outside of the House or what?

MR. BARRY: . Stop trying to intimidate the press, for heaven's sake!

MR. MOORES: Intimidate the press! We do not need to, you have done all of that, quite adequately, too, by the degree of coverage you have been getting on trash and rubbish. And that is why I say, Friday morning, Ministerial Statements this morning, three or four of them. You would not know but you were giving it for our benefit. What do you think we are, green or something?

MR. DINN: They were press releases valuable to the people.

MR. MOORES: People?
Who is next to speak on this?
Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Butt): The hon. the Minister of Development.

SOME HON. MEMBERS: Hear, hear!

MR. WINDSOR: Mr. Speaker, first I would like to congratulate the Daily News. They obviously reported everything of intelligence that the hon. the member opposite said, and that was nothing.

I cannot believe that I have been able to sit here and listen to that with the weak stomach that I have, and not have to spew yesterday's breakfast

MR. WINDSOR: all over the front of the floor,
Mr. Speaker. It is just unbelievable the nonsense that
had to listen to from the hon. member.

MR. MOORES: Get on with it.

MR. WINDSOR: I will get on the subject,
Mr. Speaker. Because the hon. gentleman obviously has a
great deal to learn and I will take a few moments to try
to tell him a little bit about it. He said somewhere
there a while ago that St. John's is sucking the people
of Newfoundland dry, Mr. Speaker. If the hon. gentleman
had any facts and

MR. N. WINDSOR:

figures to back himself up he would find out that the city of St. John's has received over the past number of years, quite a number of years, far less than any other municipality in this Province from the provincial government per capita, obviously.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Butt): Order, please!

MR. G. FLIGHT: Fire department, police, you name it.

MR. SPEAKER: Order, please!

MR. N. WINDSOR: Even if with the police and the fire department, Mr. Speaker, they still receive less. The city of St. John's now qualifies under the new municipal grant system for funding from the Province. Twenty-five cents on the dollars, not fifty cents on the dollar, and from that is deducted the cost of police and fire. So the hon. gentlemen should get their facts straight.

SOME HON. MEMBERS: Hear, hear!

AN HON. MEMBER: I do not buy that.

MR. N. WINDSOR: Mr. Speaker, I really do not care if the hon. gentleman believes me or not. His opinion is almost as insignificant as he is.

SOME HON. MEMBERS: Oh, oh!

MR. N. WINDSOR: Mr. Speaker, the hon. gentleman criticizes the capital value system. It is probably redundant for me to point out that the capital value system is universal in North America, that the city of St. John's is the only city that uses the rental value system. What the hon. gentleman is saying is that everybody else in the world is wrong and that this system, this archaic system of rental value in the city is right, that everybody else must be wrong. He did not point out that all other municipalities in the Province that have municipal taxation, property tax in place, are using the capital value system. He chose to

MR. N. WINDSOR: ignore that. And he stands up there and he says - I will try to quote him - he stands up and he says, 'I am standing up for the people. But which people, Mr. Speaker? Which people is he standing up for? And he stood there and boldly placed charges against people in this Province who were developing residential accommodation, rental accommodation, and he says that this whole system of capital value is designed to put money into their pockets. Then he said the residential tendency boards will offer them no protection. The fact of the matter is, Mr. Speaker, that we have a problem in this city, we have a problem that is almost of crisis proportions at the moment. We have a zero, effectively a zero vacancy rate in rental accommodation in this city, and it will probably get worse - if you can get any worse than zero - but it will probably get worse over the next number of years as we feel the effects of oil and gas and the developments that are expected to take place in this area.

MR. G. FLIGHT: Eight years (inaudible) worse.

MR. N. WINDSOR: The hon. gentleman says he is standing up for the people. Well, he is not standing up for the people who are trying to find accommodation, and I have 727 on the list at the moment in the city of St. John's waiting for an apartment. And one of the reasons I cannot get them an apartment, one of five which I will list to you

MR. G. FLIGHT: Cannot afford the rent.

MR. N. WINDSOR: Cannot afford the rent! But the hon. gentleman just told us that the Residential Tenancies Board are not going to protect them. One of the reasons we have not got more apartments built in this city is because of the control placed by the Residential Tenancies Board which makes it impossible for a developer to receive a fair economic return for his investment dollar in rental accommodation.

MR. N. WINDSOR: The main problem, Mr. Speaker, is the rental value system which takes I think it is 30 per cent rate off the top.

MR. THOMS: One of the problems is that the city council will not give them a permit to build.

MR. N. WINDSOR: The hon. gentleman and I will talk about that.

The rental value system, Mr. Speaker, has been a major deterrent to the construction rental accomodation in this city, as a result of which the average person cannot find a home and he soon finds that he is coming to the Housing Corporatior for housing accomodation which has been designed for the person who needs some assistance, for the average working man who is - for the working poor, if you want to use it, for the working poor who is working, trying to support his family but cannot quite afford the high cost of housing today. And this is not unique to St. John's by any means.

Seven hundred and twenty-seven people, Mr. Speaker, are presently on the waiting list for accomodation in this city. If the hon. gentleman wants some people to be concerned about, those are the people that I am concerned about. If the hon. gentleman wanted to have a look at some of the cases that we have to deal with on a daily basis, he would find out the problem in housing in this city and what effect the rental value system is having on it and what an improvement the capital value system will be. Because just since the city made the resolution - and I take full responsibility for talking with the city and suggesting to them in the strongest of terms that they should take that resolution, and I make no apologies for it - even since the city has taken that resolution and has agreed to adopt the capital value system, we have seen a tremendous increase in the

MR. N. WINDSOR: proposals for construction of residential rental accommodations in this city because developers are saying by the time we get it built at least that will be in place and we will have a chance to get a fair economic return. Santa Clause is coming in a few weeks time, Mr. Speaker, but he is not going to provide rental accommodation for all 727 people - or 727 families; a far more number of people obviously. The capital value system, Mr. Speaker, would go a long way towards stimulating the construction of rental accommodation in this city. Another reason we do not have rental accommodation is the capital cost allowance which was in place a number of years ago, a federal programme which was extremely beneficial, and the hon. gentleman might try to say that that was only putting money in the pockets. Well, it did stimulate construction of rental accommodation and it was removed several years ago and the federal government has now seen the error of that and has re-instituted it in their recent budget and I was very pleased to see that, one of the few positive steps in that budget. But at least that will help and that probably is starting to have an affect on the construction of residential accommodations. The hon. gentleman mentioned the city will not give permits. I have to somewhat agree that the lack of a firm city plan properly adopted under the Urban and Rural Planning Act has been a deterrent and that there has not been proper planning for providing land on which to build rental accommodations. I would agree with the hon. gentleman on that point, and that we must have in this city an adopted city plan approved by the people of the city which can only be changed again by reference to the people of the city. I would urge the City of St. John's to do just that. And that has been one of the problems. The cost

MR. N. WINDSOR: of building materials and labour, Mr. Speaker, obviously that is a problem. That is not something that is unique to St. John's, it is a national problem, and it could be eased by a very rational, a very rational suggestion from the Board of Trade, something that we have already been looking at but certainly a very strong suggestion from the Board of Trade of reducing sales tax on building materials to five per cent. I would support that as being a positive step to stimulate housing construction and particularly rental accommodation construction in the city. Obviously, there are financial implications to be considered but it is at least a positive proposal and one that certainly bears some looking in to. The hon. gentleman said the Residential Tenancies Board will not help.

And he talks about the great windfall profits that owners of apartment buildings were going to reap in changing to the capital value system. The fact of the matter is, if the hon. gentleman had read the bill he would see sections 118 - 120 deal with the phasing in of the capital value system which will provide that over a five year period any changes in the present amount of tax being paid will be phased in over that five year period. Now, what that does, Mr. Speaker, is allow the Residential Tenancies Board, when an apartment owner applies for an increase, to consider benefits that that apartment owner is getting from the change in the tax system and that obviously can then be accommodated in the new rental rate that is allowed by the Residential Tenancies Board. So, to say that there are windfall profits, Mr. Speaker, is not true because it is phased in over a five year period and the Residential Tenancies Board will be given the opportunity obviously of considering that and of accommodating that when they

MR. N. WINDSOR: set rental increases for the coming years. These are the people, Mr. Speaker, that I am concerned about. The hon. gentleman from Carbonear is concerned about representing the people and he should consider those 700 people who are probably the most desperate people in this city at the moment trying to find rental accommodation, trying to find a place to bring their family in off the streets. The hon. gentleman from LaPoile, Mr. Speaker, back on June 6, I think, just a day or so or probably the last day before we adjourned for the summer, had some comments about the capital value system speaking in some other debate—probably totally unrelated, as he normally is and said it would leave more money to the city and it is a tax increase by the back door. Now, Mr. Speaker, how anybody can say that a property tax is a tax increase by the back door! It is a tax increase on the whole house. The fact is it is not a tax increase. It is simply another system of levying tax, Mr. Speaker. And will it mean more money? Not necessarily. Not necessarily. It is simply another method of distributing the tax burden over the taxpayers of the city in a more equitable manner, one that has been universally accepted, one that is used throughout North America and throughout Newfoundland in every

MR. N. WINDSOR: city or town that has a property tax with the exception of the city of St. John's.

So, Mr. Speaker, I support this legislation. I think it is a very progressive move, it is a great step forward and will mean a great improvement, I think, over the next couple of years on the rental accommodation situation of the city of St. John's. I hope it will take some pressure off our subsidized housing situation so that we can direct our efforts to those people who legitimately need some help in this city.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. L. STIRLING: Thank you, very much, Mr. Speaker. I did have the opportunity to represent the taxpayers of this city for a four year period. I probably know something about the problems that have been referred to by the last minister who spoke, the minister who used to be the Minister of Municipal Affairs and is now the Minister of Development (Mr. Windsor).

There is no question, Mr. Speaker, that this city needs an up-to-date, completely re-written new City of St. John's Act. But, Mr. Speaker, this is a haphazard, interim poorly drafted excuse for an Act. It has not thought through and dealt with the very real problems, most of which have been touched on by my colleague, the member for Carbonear (Mr. Moores) and the shadow spokesman for Municipal Affairs and Housing - or Municipal Affairs? they have now changed the name of it, taken Housing and put it in Development.

MR. L. STIRLING: Let us look at what this Act is and let us have a clear cut understanding sent out to the people of St. John's. What it really is - and let us pick up from the last speaker. He said one of the main reasons that there is zero accomodation in the rental properties in this city is because of the present rental tax system, and he is right. It is because 36 per cent, or whatever the per cent is - it used to 20 per cent back a few years ago, it is now 36 per cent - has to be paid directly to the city for taxes.

Now the point that my colleague, our spokesman, in briefing caucus was that surely we have a duty in this House to make the automatic provision, the automatic protection, the protection of the person who is now paying essentially one-third of his rent in tax. The city gets it, the landlord does not get it. The rentor has to pay it. Now let us just suppose that his normal rent would be, say, \$400.

MR. STIRLING: The city will get a third of that. We will make it easy and let us call it \$600. The city automatically gets \$200. The landlord does not get it no matter whether he is a rogue or he is decent or what have you; the landlord does not get it, That is \$200. So, the landlord is getting right now rental of \$400. So, my colleague, the member for Carbonear (Mr. Moores), in briefing caucus has said, "I have tried to find out whether, in doing their proper homework, the government tied it altogether and brought in a regulation. It must be in either the Landlord and Tenants Act- it is going to be a companion piece to this.

AN HON. MEMBER: (Inaudible).

MR. STIRLING:

Light is dawning, light is beginning to show through that this is \$200 which used to go to the city, and my colleague said, "We must bring in a protection so that these 6,000 or 8,000 people who are now paying \$200 a month to the city will benefit directly from it" The landlord is not getting the benefit now. The landlord is getting \$400, the city is getting \$200, so the city is no longer going to need the \$200. What he said in the briefing to us is that 'if they have done their homework properly, and I will check' - and when he checked he was astonished, so was I, I could not believe it. I said, "Well, they are not going to require 6,000 applications. Certainly they are not going to require 6,000 applications."

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Baird);

Order, please!

Carry on, the hon. the Leader

of the Opposition.

You look very stunning.

MR. STIRLING: Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: Mr. Speaker, this House is not going to recess for Christmas, it is going to collapse for Christmas. Mr. Speaker, this is a very important piece of legislation that we are now debating. And it is essential, I believe it is essential for the government to take it back - they do not intend to implement it except over a five year period - I think that the government should take it back and do their homework on it and clean it up and bring in the kinds of things that my colleague from Carbonear (Mr. Moores) had suggested. And that is for these 8,000 people, surely you are not going to require 8,000 people to submit 8,000 separate applications to this Landlord and Tenancy Board to be considered. Let us make it automatic, as he has suggested. Ninety-nine per cent of the landlords may want to do it anyway. Let us give them credit, they may want to do it anyway, so let us make it easy. As my colleague from Carbonear has said, "You may not have to pass regulations for those that are decent and honourable, but for the rogues, of course, you have to pass regulations and you have to enforce it". So that the automatic provision that should be put in the Tenancy Act is that what should happen is that this tax change - and the minister who spoke last, the Minister of Development, very carefully, very carefully said, "Well, when the landlord next applies for a tax increase" - and that is not the point, Mr. Speaker. We are not talking about when the landlord applies for a tax increase. If 36 per cent of the money is now being used for taxes, the real question is what is going to happen after this act has been proclaimed and the person, the renter, is still paying \$600

MR. STIRLING:

a month? In the past the landlord got \$400 and the city got \$200. If that new tax is now down to fifty dollars, what is going to happen to the difference? And what my colleague from Carbonear (Mr. Moores) quite properly said is that there should be an automatic provision in the Landlord and Tenancy Act to deal with that so that that benefit is clearly going to go to the renter.

SOME HON. MEMBERS:

Hear, hear!

MR. STIRLING:

He says that simple. Now there does not have to be anything. That is a good, sound suggestion. If the government had done its homework - there is no question if we were on the other side and the city had come in with this drafted act and said, 'Look, we got to get this through in order to implement it', and we did not do our homework on it and somebody from the opposite side pointed out such a wise suggestion as was pointed out by my colleague from Carbonear, we would immediately do it because it makes sense.

AN HON. MEMBER:

The city should have done it in the first place.

MR. STIRLING:

No, the city does not have the control over the Landlord and Tenancy Act, it is the Province.

AN HON. MEMBER:

(Inaudible).

MR. STIRLING:

Well the city - I do not wish to defend the city and I do not wish to get into a debate with my own colleagues about what the city should do. It is the responsibility of this House to make sure that any suggestion that comes in is considered but that we look at the whole problem and that we tie in all the necessary provincial legislation to achieve that aim. Now, Mr. Speaker, that is the first thing.

The other thing that this government has a responsibility - and it is true - that every city seat, all eleven city seats, all of them are represented by Conservative members and the majority of them by Cabinet ministers, nobody has yet told them the clear cut-truth. And they are so

MR. STIRLING: good at Ministerial Statements, that what they should be telling the people who are homeowners in this city is that the city is not necessarily going to increase taxes. All that is going to happen is that all of the reductions coming from the 6,000 or the 8,000, you are going to bring them down by a substantial margin, if the 6,000 are going to save money, then the other 17,000 have to make up that money. So what you have to do - you should honestly tell your constituents - everybody who is a homeowner in St. John's, you are now going to have to pay over the next year or the next five years, you are now going to have to pay a considerable increase in taxes. That is the fact of the matter. When you say it is not necessarily more taxes for the city that is true, but it is more taxes for the fellow who has to pay the taxes.

And what my colleague from Carbonear (Mr. Moores) has said in the first instance is, 'Will you be sure that the renter really does get that savings because automatically every homeowner who occupies his own home in this city automatically will be paying an increase', and this is why he said, 'Make sure that the savings get past along to the renter.'

Now, Mr. Speaker, let us take a look at the act itself. A couple of things in the act just do not make much sense from a drafting point of view. Now, Mr. Speaker, let us look at page forty-eight, part five. And by the way, my colleague from Carbonear brought up a point which he considered a personal view, it is certainly my personal view, And I would urge the government that while you

MR. L. STIRLING:

are cleaning up the City of St. John's Act and you are going to have to do something with the Municipalities Act in the same area, a very fundamental principle needs to be debated and that is the principle that my colleague for Carbonear (Mr. Moores) brought up, and that is is there any circumstance under which you have the right to take the home of senior citizen. Let us take, typical of many of the constitutents that I had when I was a member of the city council, living in downtown, many of the widows of senior civil servants, for example, who were living in residences downtown, fine old homes. Mr. Speaker, they never took a cent from welfare. Sometimes we got a letter from a minister or a priest who asked that the taxes be forgiven, and the city council that I was a member of certainly did that many times.

What you are doing with this new Act, Mr. Speaker, you are taking many of those homes that are large homes, few people living in them, maybe one or two people, an older couple or a widow, and you are now saying that that has to be assessed on a market value. That person may never be able to buy that home. The market value of that home - the utility value may be \$20,000, but the market value - and the test in this Act is what would it fetch on the market with this oil boom that is going on - the market value of that home may suddenly go up to \$100,000.

MR. BARRY: You mean there is an oil boom going on.

MR. L. STIRLING: Yes, there is certainly an oil boom going on.

SOME HON. MEMBERS: Oh, oh!

MR. J. HODDER: A lot of gas too from the other side.

MR. L. STIRLING: Mr. Speaker, if the member for Mount Scio (Mr. Barry) was not so concerned about his debating skills as though he were still in a university atmosphere, he would be concerned about some of these very real problems that the people in the downtown section of this city - the member for St. John's East (Mr. Marshall) has some of those problems, the member for Waterford - Kenmount (Mr. Ottenheimer) certainly has some of those problems, the member for St. John's North (Mr. Carter) in particular has them, the member for St. John's Centre (Dr. McNicholas) has them. I am talking about the older housing in the downtown and in the built up areas where you have many citizens who do not know what this government is doing in this bill today. First of all, they are saying you now have been paying, say, \$80 - \$90 a year. And that is because Neddy Foran, God bless him, in the good old days always gave a break to the homeowner. Socked it to the rentor because he figured in those days the person who rented was in the elite, not the day that it is today. The King's Bridge Court crowd, he socked it to them. But today what is happening in this Act is we are doing something to a lady downtown who has tried to struggle along, her house is now going to be deemed under this Act to be worth \$100,000 and she does not have the money. Her tax, let us say, her tax can go up to \$750 or \$1,000 a year. That is not an unreasonable tax to expect on a \$100,000 home based on the same kind of mil rates in effect in this Province.

So what is that woman going to do? Well, I will tell you what is going to happen under the Act, Mr. Speaker. What is going to happen under the Act is that if she cannot pay her tax - she could pay her \$80 or \$90 a year - what she is

MR. L. STIRLING:

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MR. L. STIRLING: Mr. Speaker, if the member for Mount Scio (Mr. Barry) was not so concerned about his debating skills as though he were still in a university atmosphere, he would be concerned about some of these very real problems that the people in the downtown section of this city - the member for St. John's East (Mr. Marshall) has some of those problems, the member for Waterford - Kenmount (Mr. Ottenheimer) certainly has some of those problems, the member for St. John's North (Mr. Carter) in particular has them, the member for St. John's Centre (Dr. McNicholas) has them. I am talking about the older housing in the downtown and in the built up areas where you have many citizens who do not know what this government is doing in this bill today. First of all, they are saying you now have been paying, say, \$80 - \$90 a year. And that is because Neddy Foran, God bless him, in the good old days always gave a break to the homeowner. Socked it to the rentor because he figured in those days the person who rented was in the elite, not the day that it is today. The King's Bridge Court crowd, he socked it to them. But today what is happening in this Act is we are doing something to a lady downtown who has tried to struggle along, her house is now going to be deemed under this Act to be worth \$100,000 and she does not have the money. Her tax, let us say, her tax can go up to \$750 or \$1,000 a year. That is not an unreasonable tax to expect on a \$100,000 home based on the same kind of mil rates in effect in this Province.

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MR. STIRLING: going to have to happen to her under this act, Mr. Speaker, is that the city will have the right - they now have the right, but they should not continue to have the right. This is a very basic change by going from the rental value because that old house might only rent for \$100 a month, but going to the capital value which is the market value, now worth \$100,000, that little old lady's rent may have increased ten times. And the right to take that house and sell it, the right to take that house and sell it for taxes is a right that should not be given to any municipality in this Province. Nobody - and the point was made as a personal point by my colleague from Carbonear (Mr. Moores), it is one that I share and I hope will become the view of this party, and that is that there are many other sources that you can use to attach wages. You can do anything else that you want to collect taxes, but when it comes right down to it, when you get right down to the basic point, nobody, if there is no other asset left, nobody should have the right to take that woman's property, nobody. And that is something that we should look at in this House now that we are revising the City of St. John's Act and making this very major change. By the way, none of the speakers on the other side mentioned that when this problem was faced up to by a royal commission in this city they did not recommend property tax. When they looked at all the taxes, all the situations, all the possibilities of collecting tax to go from the rental value system, Mr. Speaker, they did not recommend this system, they did not recommend the property tax system. They recommended that the only fair system - and that this city could do it, this city could do it because they had not been loaded with the curse of history which was the property tax system - and what the royal commission in this city recommended is that the only fair type of tax - and this is a fair type of tax that would affect that lady that I was concerned about, the person who had worked all her life - the only fair type of tax was for the Province to give

MR. STIRLING: up a share of their income tax. That was the only fair tax. The royal commission, after studying all aspects of this, recommended that a share of the income tax be taken by the municipality.

So this is, Mr. Speaker, a cop-out by going to the property tax system. Everybody in Canada recognizes that the property tax is a regressive tax. And by history, historically it was used to finance education, welfare and municipal services. Well, Mr. Speaker, this city has never had property tax, the capital system, and that the recommendation of the royal commission was to go to an income tax system.

Now, Mr. Speaker, in looking at the act itself on page 48, Part (V), one of the reasons I think it should be taken back and cleaned up, they are talking about how to collect tax. Part (5), page 48, 101 (1) 'For the purpose of enforcing payment of taxes, the City Clerk may issue warrants of distress, and seize and sell any good or chattels of the person by whom such amounts shall be due' which seems to make sense if you are going to go ahead with that kind of concept - Or any tenant or leasee thereof.' Mr. Speaker, it looks as if there are two or three pieces of some other act put together there and I would hope that the minister or some of the legal people will take a look at that. It does not make any sense. And I checked with the legal draftsman and the legal draftsman could not explain just what that means.

MR. STIRLING: Well, Mr. Speaker, if it means the way it reads in English, it means, for example, suppose that the member for St. John's East (Mr. Marshall) had a residence which he rented to the member for Pleasantville (Mr. Dinn). And if the member for St. John's East did not pay his property tax, the owner of the house, it looks from a reading of this that they can go in and seize the goods, the furniture, of the renter, the member for Pleasantville. That does not seem to make very much sense. That is the way this thing reads. If you would like to read it - Now a lawyer may read it different, but I think if there is any doubt in there it should be cleaned up.

AN HON. MEMBER: What section is that?

MR. L. STIRLING: Section 101 (1) on page 48. And I asked a counsellor what it meant and I asked a couple of draftsmen and they are not sure what it means. They certainly indicated that they do not intend what I am reading into it. So it appears to be a piece of bad drafting. Now, Mr. Speaker, there is another tax which the city is now collecting, and in view of bringing in the overall property tax it is my view that they should not be permitted to collect it anymore, and that is the two per cent fuel tax. Every resident in this city who has to burn oil pays an additional tax, in addition to everything else, of two per cent which goes to the city. And it is a substantial amount of money and it happens to come hardest on those that can afford it least. The people who have oil burners and oil stoves and live in the downtown have to pay a two per cent fuel oil tax. And in cleaning up the tax and bringing in the property tax on a capital value system, it is my view that the city should no longer be able

MR. L. STIRLING: to collect a two per cent fuel tax. It is not collected on electricity. And with the way that the cost of oil has just been escalating and escalating over the years, it seems to me that that regressive tax, which may have been needed prior to this kind of an amendment, if we are really essentially trying to bring all the taxes of the city in one amendment, then that two per cent tax should be taken away and it should not be charged in addition to the changing to the property value tax, because you are again hitting and again hurting people, hurting those who can least afford it.

Mr. Speaker, there is another section in this act which has got for those people who are concerned an implication that I would hope that the next speaker would try to explain and that is Section 120, it has been referred to earlier by the member for Mount Pearl (Mr. Windsor). Section 120 (3), and it seems to give to council in view of the comments made by the minister when he was then minister of Municipal Affairs, it seems to give to council a right that I do not know if we should really give to any council and if I were on council I am not sure I would want that right and it is Section 120, subsection (3): "The council may where it feels that a person made a change in ownership or occupation of real property for no reason other than to benefit in relation to the payment of real property tax after the commencement of

MR. L. STIRLING: this Act, make such determination in relation to real property tax owned by that person as it deems necessary." Now I do not know what that means. I do not know why the council would want that authority, but in the same little illustration I just gave of where the member for St. John's East (Mr. Marshall) owns a house and rents it to the member for Pleasantville (Mr. Dinn), it seems under this section of the Act if the council feels that the member for St. John's East, being a lawyer and accepting the very well established practice that you can arrange your affairs to take advantage of whatever the most favourable tax situation is - I mean that is an accepted practice under the Income Tax Act, but it seems under this Act it is saying the person may or he "feels that a person made a change in ownership or occupation of real property for no reason other than to benefit in relation to the payment of real property tax" that the city can then decide whatever taxes that they want to charge.

Now it may be intentional that the member for St. John's East (Mr. Marshall) says, 'Now, I am looking at this new Act. I may want to do something to improve my affairs'. Or the lady who I was talking about now has a \$100,000 home downtown may make some arrangement so that she can continue to live in that home and it may be selling it or it may be some legal arrangement, and it seems that if she did it she did it to -

AN HON. MEMBER:

Five minutes to go.

MR. L. STIRLING: Only five minutes left. There will be other times, I guess.

Mr. Speaker, it seems that that section is giving to council the kind of a power

MR. L. STIRLING: that either intentionally somebody may do - and what is established under the Income Tax Act is that evasion is illegal but this kind of thing, arranging your affairs in a reasonable manner, seems to be an accepted principle. But more important, Mr. Speaker, if a person does it accidentally this seems to give the authority to the council to make such determination in relation to, real property tax owed by that person as it deems necessary.

It seems to give an authority to council that council should not be given, and if I were a member of council an authority that I would not want to have.

There are other instances, Mr. Speaker, in this Act. For example, there is no provision - and that is why I say it looks like a sloppy piece of drafting done at the last minute to try to get rushed through here before Christmas. And I would suggest that you take back the Act and clean it up and bring it in and tie in the pieces so that we are looking after all of the people who are going to be affected by the Act. For example, the person that we are all trying to protect, the individual citizen, that person in the Act has six months to take any action they want to take under this Act, and, depending on which section you read it in, it appears that the city has up to twelve years to take any action they want to take under the Act. It seems that somewhere in between there should be a reasonable period. Another provision in the Act provides for the setting up of a lien against the property and there are two references, one to six years and one up to twelve years.

MR. L. STIRLING: So in summary, Mr. Speaker, we will have to vote against this Act as it presently is drafted because we do not think the homework has been done, that the people have been informed properly, this government, who can buy full page ads to protest any imaginary ill, have not done the same kind of thing to let the homeowners in this city know that they are going to have a substantial increase. They have not taken

MR. STIRLING:

the provisions necessary to protect those who are renting. They have not cleaned up the act so that it removes any doubts, any concerns, they have not taken out the 2 per cent fuel oil tax and they have not tied it in with the municipal acts overall. So it is a badly drafted piece of legislation. And for the reasons that have been mentioned by my colleague from Carbonear (Mr. Moores) and elaborated on by me, I do not think that we can support this bill, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (SIMMS):

The hon. Minister of Labour and Manpower.

MR. DINN:

Mr. Speaker, we have a couple of minutes and it is -

AN HON. MEMBER:

Adjourn the debate.

MR. DINN:

Okay. I will adjourn the debate until the next sitting day, I guess.

MR. SPEAKER:

The hon. President of the Council.

MR. MARSHALL:

Mr. Speaker, I move the House at its rising do adjourn until tomorrow, Monday at 3:00 P.M. and that this House do now adjourn.

MR. SPEAKER:

Before I put the motion, there has been a question put to me by some hon. members about some remuneration that some members are due and I have the Clerk checking but if you wish you can check with my office. It may be there. It is supposed to be there but I am not sure if it is up yet.

On motion the House at its rising adjourned until tomorrow, Monday at three of the clock .

INDEX

ANSWERS TO QUESTIONS

TABLED

DECEMBER 12, 1980

Answer to Question #45

Appearing on Order Paper #76 of Thursday, December 11, 1980

Asked by The Honourable the Member for Torngat Mountains, Mr. Warren

- QUESTION: (a) Has the Provincial Government made a decision regarding a financial grant that has been requested by C.N. for the construction of the St. John's Synchronlift?
- (b) Could the Minister advise what was the amount of the grant that was requested?

ANSWER: To properly answer these questions it is necessary to briefly summarize the efforts over the past few years of Newfoundland Dockyard Limited, a subsidiary of CN, to construct a synchronlift at its St. John's operations. These efforts have been supported by the Government of Newfoundland and Labrador since the beginning.

In 1979 an accord had been reached between the Federal Government and CN whereby the Federal Government had approved a contribution of up to \$15 million in 1978 dollars.

By way of letter dated June 20, 1980, and submission dated June 26, 1980, Mr. Armstrong of CN Holdings made a proposal to the Department of Industry, Trade and Commerce. The proposal was based upon a review by Federal officials which suggested that the cost estimate could be reduced to \$21 million through modifications and other cost savings, and that the Federal Government's authorized spending limit was then \$18.5 million in 1980 dollars.

In summary, the proposal was that the Federal Government provide \$18.5 million at 11% interest rate for 25 years, through the Department of Industry, Trade and Commerce, with the balance, up to \$2.5 million, to be raised by CN. Of the \$18.5 million, 65% or \$12 million is guaranteed to be repaid to the Federal Government by CN. If the annual profit of the Newfoundland Dockyard over the 25 year term exceeds \$300,000 25% of the excess will be applied against the outstanding \$6.5 million.

Timing on the project was critical as further delays could result in the loss of a possible 100 - 200 new jobs at the Dockyard and risks the present 330 jobs.

While no official response to CN's proposal was received, in late July the Minister of Revenue announced publicly that the reasons for delay were related to the Province's Commission of Inquiry into Marystown Shipyard Limited and the problems with receiving a long term Russian contract.

After careful analysis, both arguments were strongly refuted by the Honourable the Premier in a public statement dated August 5, 1980. At the same time it was made known that the Province was making an offer of financing in order to avoid any further delay of this vital project.

After further discussions with CN Officials, the Honourable the Premier in a letter dated August 15, 1980, to Mr. C.F. Armstrong, President of CN Holdings, confirmed the Province's willingness to provide a financial package for the Synchrolift project which would allow CN's financial position to remain the same as projected in its proposal to the Department of Industry, Trade and Commerce.

The Province's offer was conditional upon achievement of a timely and suitable accord between CN and the Government of Canada to ensure an early start on the project and to enhance its future viability.

Since then considerable time has been spent by CN in negotiating transfer of the required land from other Federal Agencies. I understand some satisfactory arrangements have recently been made.

Unfortunately, despite several requests by CN and representation by the Government of Newfoundland and Labrador, the Federal Government has not responded formally to allow CN permission to proceed.