

Speakers office

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TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD  
3:00 P.M. - 6:00 P.M.  
MONDAY, DECEMBER 15, 1980

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Simms): Order, please!

I have a communication which I have been asked to pass on to hon. members, addressed to myself. His Excellency the Governor General has asked me to convey to you his heartfelt thanks for forwarding to him the condolences of the House of Assembly of Newfoundland and Labrador on the occasion of the death of the former Governor General, the Right Honourable Jules Leger. "I hope you will be kind enough to transmit His Excellency's appreciation for their thoughtfulness to the members of the House. You can rest assured that your message will be brought to the attention of Madam Leger without delay." It is signed by E. U. Butler, Secretary to the Governor General.

STATEMENTS BY MINISTERS

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

MR. OTTENHEIMER: Mr. Speaker, I am pleased to inform the House that this morning I attended the induction of twenty-eight young Newfoundlanders as recruits into the Royal Newfoundland Constabulary. The group was composed of twenty-three men and five women. This followed an extensive recruiting campaign throughout the Province. It is the first time in the history of the Force that women have been recruited. As administrative and other procedures are developed, more women will be recruited in the future. All the recruits were sworn in this morning by Chief of Police Richard Roche.

This also was the first occasion that the Public Service Commission was involved in the recruitment of constables. This new policy of recruitment

MR. OTTENHEIMER: through the Public Service Commission will allow Province-wide competition and selection to be made in a professional and consistent manner. All future recruitments in the Force will be done with the co-operation of the Public Service Commission. I should point out as well that at present there is a recruitment programme for the St. John's Fire Department and this is being done in conjunction with the Public Service Commission. The next recruitment for the Warders Service of the penitentiary and other correctional institutions will likewise be done in conjunction with the Public Service Commission. In other words, henceforth all recruitment in the uniformed services responsible to the Department of Justice will be done in conjunction with the Public Service Commission.

I am also pleased to inform the House that arrangements have been entered into with the Atlantic Police Academy in Charlottetown, Prince Edward Island, for a five-month training programme for today's recruits.

The quality of training at the Academy is recognized as being among the best available anywhere in Canada. Training of the new recruits will begin early in the New Year and will include studies in criminal law, federal and provincial statutes, as well as preventive policing, investigative methods, courtroom procedure and physical fitness. Training will finish in May coinciding with the expansion of the Royal Newfoundland Constabulary to the Town of Mount Pearl, scheduled for June, 1981.

In addition to the obvious benefits flowing from such a programme, the training staff at St. John's will be able to concentrate their efforts on progressive in-service training. This has been ongoing at the mid-management and constable level for some months.

MR. OTTENHEIMER: Arrangements have also been reached between the Department of Justice and the City of St. John's for the transfer of parking by-law enforcement from the Royal Newfoundland Constabulary to the enforcement personnel employed by the City. As a matter of fact, I was speaking with the Mayor only this morning on this matter. This transfer is to take place early in the New Year. The earliest would be February 1st and we hope it will be at that date. It will certainly be no later than April 1st but, in all likelihood, closer to February 1st.

MR. OTTENHEIMER: This will free seven uniformed police for other essential duties. It is also in line with our policy of having municipalities assume responsibility for by-law enforcement through the medium of municipal enforcement officers.

Finally, I wish to report briefly on the success of the Crime Prevention unit established by the Chief of Police a few months ago. The unit has initiated a Neighbourhood Watch Programme for residential areas in the city. This programme has been well received and successful. Also the Crime Prevention Unit has embarked upon a programme to alert the public with respect to the dangers of theft from parked cars. I understand that the number of such thefts has been reduced dramatically. As a result of a training programme recently completed by the Constabulary in conjunction with the Canadian Police College, a new deployment of personnel for preventive policing will take place. This will supplement the work presently being done by the Constabulary in the prevention of crime in relation to business establishments. In this connection, the Chief of Police will be arranging a meeting in the near future with representatives of the business establishments so that further co-operative measures in this area of crime prevention can be developed.

MR. SPEAKER (Simms): The hon. member for Grand Bank.

SOME HON. MEMBERS: Hear, hear.

MR. L. THOMS: Mr. Speaker, I am also pleased to see that at least we are getting some new recruits in the Royal Newfoundland Constabulary. There is one thing for sure, either the Royal Newfoundland Constabulary at the present time is understaffed or there is not a very effective use being made of the numbers that we presently have in the Royal Newfoundland Constabulary, which I understand is about 220 men. I was also happy to see that

MR. L. THOMS: women have finally been included in this force. I think the fact that they have now gone outside to the Public Service Commission in their recruiting is a step in the right direction; it still brings up the necessity for a Police Commission in this city which is something that I think the minister should give some careful consideration to. If St. John's over this past weekend, Mr. Speaker, is any indication, of course, then there is certainly a necessity for more policemen to be working the streets, there is a necessity for more policemen to act as sort of the neighbourhood policeman that we saw in days gone by. But although the minister has said that he will not give any numbers of the number of police that are patrolling the streets of St. John's at night, I think the fact that we had something like three rapes in St. John's over this past weekend, and in one case the same woman was raped twice in the city, then it brings up the necessity for having more men on the street; I mean, this is where the crime takes place. And there is an absolute necessity to get more policemen and this is why it is good to hear

MR. L. THOMS:

now that finally the police are going to be taken off the parking meters in St. John's. At least that will give us seven more that can augment the present police force on the streets. I think it would also be a good time to mention, since the Mount Pearl situation was mentioned here, that this government should give serious consideration to making the police force a truly Newfoundland police force and extend it not only to Mount Pearl but to other areas outside the city. All in all, though, it is good to see that we are making some progress in the areas with the Royal Newfoundland Constabulary that should be made.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER(Simms):

Further statements?

I am sure on behalf of all hon. members you would all like to join me in welcoming to the Gallery today the newly elected Leader of the New Democratic Party in the Province, Mr. Fouse Faour.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

ORAL QUESTIONS.

The hon. the Leader of the Opposition.

MR. STIRLING:

Thank you, Mr. Speaker. I

have a question for the Minister of Municipal Affairs (Mrs Newhook). As the minister is probably aware, there have been many requests from municipalities - my estimate is that about 50 per cent of the rural municipalities have been in touch with the minister - because they have large populations in those municipalities that are now excluded from the taxation rolls. Does the minister plan to make a grant available to those municipalities with such large population?

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

MRS H. NEWHOOK: Mr. Speaker, could the hon. Leader maybe just clarify that question? You say they have large numbers excluded from the municipal roll. I do not quite understand what you mean by that.

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

MR. STIRLING: Just for clarification and not as a supplementary question, just for clarification, all of us on this side have been receiving many requests from municipalities who last year received a full grant but this year, because of the exemptions in the new Municipalities Act, they are not allowed to charge tax to those who do not qualify under the income tax. And by definition, and we agreed with it on this side, by definition senior citizens are excluded, but the government has not made a grant, as they did with social services. with senior citizens or those who do not come up to the income tax limitation, These people with large retired populations are now in a position where they may have to double their fees, but the government at this point has not made a grant to those people to offset that problem.

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



MRS. NEWHOOK: Yes, Mr. Speaker, in the general municipal assistance grant, there is a component built into that grant to take care of these kinds of circumstances where this component was received by municipalities in recent years or up until 1980 and then, of course, we have the Social Services taking over the payment of people on social services. So instead of taking out that component from the grant which was there for that purpose in the first place, it was left in to compensate for any exemptions that would have to be made to senior citizens.

MR. STIRLING: A supplementary, Mr. Speaker.

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

MR. STIRLING: Yes, if I understand the minister correctly, are you now saying that you will give a grant - it will be taken into consideration in their grants programme that any money that they cannot collect because of senior citizens who are not required to pay taxes, that will be taken into consideration and they will be given a grant to make up for that loss of revenue?

MR. SPEAKER: The hon. the minister.

MRS. NEWHOOK: No, Mr. Speaker, I am not exactly saying that. But I am saying that in the general municipal assistance grant, which has been changed this year, that there is a built in component included in that grant for that purpose.

MR. STIRLING: A supplementary, Mr. Speaker.

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

MR. STIRLING: I am not sure that the minister is giving the total information and she may wish to check into it. Another matter that is causing some problem is

MR. STIRLING: that last year for municipalities where we forced them to have audits done, we paid the audit fees. As I understand it, this year they have been refused a payment. And very specifically, if you want to take the municipality of Wareham, they have been denied the grant for audit fees. Is that intentional, that you will cut off grants for audit fees now, this year?

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

MRS. NEWHOOK: Mr. Speaker, we have paid the audit fees for all municipalities up to 1978 and some of these went back, oh, five, six, seven years, but in 1979 the municipalities were advised that for the '79 audit they should include in their budget an amount to cover the '79 audit, that would be included in the budget this year. And all municipalities were made aware of this and they should have acted accordingly. We have received some requests to pay the '79, and we have advised them that they were instructed to include that in their budget. And some of them have the wrong idea. They included it in their budget but they feel it is for the 1980 budget which will be paid for in '81, so we have gone back to them and

MRS. NEWHOOK: explained the situation that it is included in the 1980 budget but it pays for the 1979 audit. Then in the 1981 budget, that will cover the 1980 audit.

MR. L. STIRLING: A final supplementary, Mr. Speaker.

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

MR. L. STIRLING: The minister makes it sound very simple about including it in their Budget, but if they have no other source of income, do you accept the fact that they have to raise taxes? And that for many of these municipalities, I am told that as many as half of the municipalities because of the changes made by the government in the new Municipalities Act and the decision not to pay things like audit fees, that many of them may have to, in fact, as much as double, certainly a 50 per cent increase in what is referred to in the new Act now as poll taxes, that these will have to increase by as much as 50 per cent. Is the minister aware of that?

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

MRS. NEWHOOK: No, Mr. Speaker, I am afraid I do not agree that we would have to increase the tax to that extent. When auditing firms come in and set up the books for these municipalities, and they have already brought all the accounts up to date, up to 1978, the audit fees from now on will not be nearly as high because the system is already there now. And, of course, we never refuse anything to any municipality where it is an emergency. But we are saying to them that they should be realistic and they should be responsible and they should provide monies for the auditing.

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

MR. S. NEARY: Mr. Speaker, I would like to direct a question to the hon. the Premier. We are all glad to see him back from New York. For ten days now I have been pressing the Premier and the government to try to get some answers to questions in connection with what Mobil Oil is up to. The hon. Premier so far has managed to sidetrack my questions, will not give us any straight answers. During his absence when he was down in New York, apparently the point that I was raising, the story broke loose on the mainland in the Toronto Globe and Mail. And I would like to ask the hon. gentleman now to tell the House and tell the people of this Province what the ramifications are, the implications of his threat to Mobil, first of all, to cancel their permit as a result of Mobil Oil threatening to take the provincial government and the federal government to court. And there is no point in getting up and ramping and raving and saying, 'It is all our fault, it is all Ottawa's fault'. Give us some straight facts. Give us some information instead of playing politics with this situation.

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, I thank the hon. member for LaPoile (Mr. Neary) for his question. There was a story, I think, in the Globe and Mail written by a Mr. Carruthers, who is the Energy Editor for the Globe and Mail, and also, I think, a candidate for a job in the Department of Energy, Mines and Resources in Ottawa.

SOME HON. MEMBERS: Hear, hear!

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PREMIER PECKFORD: As I understand it - I just found out that the gentleman who wrote the story used to be hired by Energy, Mines and Resources. So there is an interesting kind of similarity there.

We are having meetings, Mr. Speaker, with a number of oil companies who are doing business in the Province and we will hopefully continue to have those meetings. And at a appropriate time, when

PREMIER PECKFORD:

the government sees that it is an appropriate time, we will be releasing to the hon. member, and to the people of Newfoundland, any information that we believe is in the best interest of the Province, for the hon. member for LaPoile (Mr. Neary) and others to have.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, that is a non-answer.

There is no information in the answer given that very significant question. The people want to know where this government stands, what their strategy is in connection with this whole offshore situation.

We keep hearing during the answers given by the Minister of Mines and Energy that it is a matter of timing, that the Premier went off his head when Mobil threatened to take the Province to court because it was not the right time. Would the hon. gentleman tell us what is meant by that? Does the Province intend somewhere down the road to take the matter to the Supreme Court of Canada? What is meant by that matter of - the timing is all wrong, and that is what drives the Premier off his head. Or is he talking about an election? Give us some straight answers. Let us get it all out in the open. What is the problem with Mobil?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, like a lot of issues, they perhaps take on the form of an election in the sense that one does not provide information on when there is going to be an election until the government and the Premier of the day are ready to call one. In like way we will, at this point in time, because we are into talks with oil companies about their developments, not be releasing information which can somehow then be misconstrued that we are negotiating in public and trying to do the public's business that way.

PREMIER PECKFORD: There comes a time when government, when it is dealing with industries like we did, for example, with Albright, Wilson and Tenaco on the renegotiation of the power contract, we had ongoing negotiations with that company and obviously we could not, at any one point in time, hour by hour or day by day, keep the public informed because then you would be negotiating in public and losing any kind of advantage that you might have. And hence, as it relates to a number of meetings we have ongoing now, both with oil companies - the Minister of Development (Mr. Windsor) has ongoing with aluminum companies; we have ongoing with other companies that want to do business in the Province - we negotiate and when those negotiations are finished then we provide all the information to the hon. member and to the public at large.

MR. NEARY: A supplementary.

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

MR. NEARY: Mr. Speaker, a final supplementary?  
This could go on for hours.

The hon. gentleman is not giving the House any information in connection with this very important matter, Mr. Speaker. There have been two significant developments. Probably the biggest development so far in connection with offshore, the Canada Lands Act that is going through the Parliament of Canada, first, second and third reading at the moment, and the threat by Mobil to take the federal and provincial governments to court. Now surely the hon. gentleman can give us in general terms - he does not have to get specific - but the people of this Province want to know, Mr. Speaker, if their rights are being protected?

PREMIER PECKFORD: Oh! Oh!

MR. MARSHALL: A point of order.

MR. SPEAKER (Simms): Order, please! A point of order has been raised by the hon. President of the Council.

MR. MARSHALL: The hon. gentleman first of all is debating an answer that has been given. And secondly, Mr. Speaker, I draw your attention to Beauchesne, the Fifth Edition, "In putting questions a member must confine himself to the narrowest limits, etc., a question, oral or written, must not", number (c) "multiply with slight variations a similar question on the same point."

MR. NEARY: (Inaudible).

MR. MARSHALL: "Multiply with slight variations a similar question on the same point." I would submit, Your Honour, that the hon. member for LaPoile is multiplying with not even any variation the same question. I mean, the response has been given by the hon. the Premier



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MR. MARSHALL: to his question, and now, because he is not satisfied with the answer, he is asking it again.

MR. SPEAKER (Simms): Order, please! With respect, I consider that perhaps there is a point of order and there are other references as well with respect to repeating a question in difference variations and maybe the hon. member for LaPoile (Mr. Neary) might wish to consider that and ask a different question.

The hon. member for LaPoile.

MR. NEARY: If I can, Mr. Speaker, it is not easy because the hon. the Premier is stone-walling. I would like to ask the hon. gentleman if there is any truth . any foundation to the story in the Toronto Globe and Mail that Mobil did indeed threaten to take the provincial government and the federal governments to court and that the Premier had a secret letter delivered to Mobil saying that if they did that their permit would be cancelled? Now that is a new question. Would the hon. gentleman please answer the question?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, as I have said on a number of occasions now in the last several days to the people who have asked questions similar to that one to me, that we are presently talking to the oil companies about their development in this Province. In due course . . if it is within the public interest, that information will be made public. At this point in time, because the discussions are ongoing, I think it would jeopardize the negotiations and be accused of negotiating in public if any information was given. I can assure the hon. member and I can assure this House and I can assure the people of Newfoundland and Labrador that in the same way as we are protecting their interests in Labrador power and the Upper Churchill, in

PREMIER PECKFORD: the same way as we are protecting their interests at Long Harbour, as we did, we will also protect their interests as it relates to the development of this Province and its resources, including what is under the Continental Shelf.

SOME HON. MEMBERS: Hear, hear!

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

MR. NEARY: The hon. gentleman is asking us to accept his word for quite a lot. I can see that I am not going to get anywhere during this Question Period so I will save my other questions for tomorrow because I had one last supplementary I want to get at the Minister of Mines and Energy (Mr. Barry). I was told over the weekend, and I want to check it to see if there is any foundation to it or not, that with all the high winds and the storms that we have had in recent days and recent weeks around our coast and on the Grand Banks, that a substantial amount of damage was done to one of the oil rigs because it shifted in the wind. Is there any truth in this, any foundation to it? Can the minister tell us if indeed there is any damage over and above the regular maintenance that takes place on these rigs, if there is any damage involving millions of dollars to any of these rigs offshore?

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

MR. BARRY: Mr. Speaker, as is the case with any industry operating in a hostile environment, from time to time the impact of weather, ice or other conditions does cause or does have an impact upon the equipment and there have to be repairs from time to time.

MR. NEARY: A supplementary, Mr. Speaker. That is not the question I put to the hon. gentleman. I asked him if in the last week -

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

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MR. NEARY: - or so damage of a severe nature, out of the ordinary, has been reported by the oil companies as a result of the high winds and high seas that we have had on the Grand Banks in the last week or so?

MR. SPEAKER (Simms): The hon. the Minister of Mines and Energy.

MR. BARRY: Mr. Speaker, when it is appropriate to make an announcement with respect to any unusual activity that is occurring with respect to oil drilling, it will be made.

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

MR. LUSH: Mr. Speaker, I have a question for the Minister of Labour and Manpower (Mr. Dinn). A few days ago I asked the minister what effect the strike by support staff workers at the College of Trades and Technology was having on the operation of the college, and the minister assured hon. members that it was having none. But, Mr. Speaker, in view of the fact that the strike is now going into its fifth week with no signs that an immediate settlement is in sight, and in view of the fact that this strike has extensive concern and implications for all of the Province inasmuch as students are attending the college from all parts of the Province, in view of this, and in view of the concern that parents may have regarding this strike, can the minister again assure the House, and by so doing, assure parents throughout the Province - concerned and distressed parents - that this strike involving eighty-two support staff workers is not affecting the operation of the College of Trades and Technology, is not affecting the level of services or the level or quality of instruction, as he indicated a few days ago?

MR. SPEAKER: The hon. the Minister of Labour and Manpower.

MR. DINN: Mr. Speaker, the hon. member obviously knows that the operation of the College of Trades and Technology is more under the jurisdiction of the Minister of Education (Ms Verge). She can answer the question and is quite capable of doing so.

MR. SPEAKER (Simms): Is that agreed?

The hon. the Minister of Education.

MS VERGE: Mr. Speaker, the officials of the Department of Education are in daily contact with the President and the administration of the College of Trades and Technology and our information is that classes and courses are going ahead at the College of Trades as normal. Classes are on schedule, exams are being given on schedule. There is no harmful disruption in the quality of education being given the students. Management personnel have pitched in to allow for the efficient operation of the building and its support services.

MR. LUSH: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. the member for Terra Nova.

MR. LUSH: I find it very difficult to know which minister to direct my questions to.

SOME HON. MEMBERS: Oh, oh!

MR. LUSH: Mr. Speaker, I find it strange to find that we can have eighty-two workers on strike and for a minister to indicate that this is not having any effect on the

MR. T. LUSH:

level or quality of instruction, two ministers have now indicated that, so I think this is a great injustice to the workers on strike. But, Mr. Speaker, can the minister indicate whether or not there is any foundation to a story that was circulated in the media three or four days ago, maybe a little longer, to the effect that outside workers were coming in and doing the work of those people on strike, that is, workers of similar classification but working in other institutions, they were working at the College of Trades and Technology for rather excessive rates? I think the rate quoted was \$29.25 an hour. Can the minister indicate whether to her knowledge there is any foundation to that story? Whether it is the Minister of Education (Ms. L. Verge), Mr. Speaker, whether it is the Minister of Labour and Manpower (Mr. Dinn), whether it is the President of Treasury Board (Dr. Collins) I do not care as long as we get an answer to that question?

AN HON. MEMBER: No comment? Further questions?

MR. LUSH: Mr. Speaker.

MR. SPEAKER (Sirms): Supplementary the hon. member for Terra Nova.

MR. T. LUSH: Well, Mr. Speaker, I will direct the question specifically to the Minister of Labour and Manpower. Can he indicate to the House whether or not there was any foundation to the story circulated five or six days ago concerning outside workers coming to the College of Trades and Technology and performing the work of those workers now on strike for excessive rates as high as \$29.25 an hour?—which is more, by the way, than time and a half if we use the rates that these workers were getting.

MR. SPEAKER: The hon. Minister of Labour and Manpower.

MR. J. DINN: Mr. Speaker, I am not responsible for the operation of the Trades College and I will defer the question to the appropriate minister.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER (Simms): Order, please!

MR. T. LUSH: Final supplementary, Mr. Speaker.

MR. SPEAKER: Final supplementary, the hon. member for Terra Nova.

MR. T. LUSH: Mr. Speaker, there must be somebody who knows what is going on at the College of Trades and Technology.

SOME HON. MEMBERS: Oh, oh.

MR. FLIGHT: Shame, shame.

MR. SPEAKER: Order, please.

MR. T. LUSH: Mr. Speaker, I will put the question to the President of Treasury Board (Dr. J. Collins). I mean, obviously, as I have said before, it is a gross insult to the workers who are presently on strike to know that eighty-two of them are off work and it is not affecting the operation of the college. So can the President of Treasury Board indicate to the House whether there is any substance to the story that was circulated last week that outside workers were coming into the College of Trades and Technology and performing the work of the workers that are on strike? Maybe that is why the services are not affected, Mr. Speaker, and being paid \$29.25 a hour, is there any truth to that?

MR. SPEAKER: The hon. Minister of Finance.

DR. J. COLLINS: It is difficult to know when the hon. member is finished his questioning.

SOME HON. MEMBERS: Oh, oh!

MR. S. NEARY: Fools rush in where angels fear to tread.

SOME HON. MEMBERS: Oh, oh!

DR. J. COLLINS: Mr. Speaker, the College of Trades and Technology has had a strike ongoing since the 7th of November. Most of the individuals on strike were in categories of work whereby their work could be quite adequately done for a period of time by other individuals, particularly, as the hon. Minister of Education (Ms. Verge) said, <sup>the</sup> management staff.



DR. COLLINS: There were a few occupations, particularly those that related to the safety of the buildings themselves - I am thinking of furnaces and that sort of thing- whereby staff from other institutions, voluntarily, not forced, voluntarily came in to protect the institution. This is an activity that goes on when many large institutions are subject to work stoppage. For instance, out at the Waterford Hospital a number of months or so ago the same thing happened and so on and so forth. So that the government looks to its responsibilities when major institutions are at risk because of work stoppages; there are individuals who on a voluntary basis will go in to make sure that those institutions are not subject to undue hazards. Now, those individuals, if they go in during working hours, which is not common, but if they do they will get their usual pay. If they go in at times in addition to their usual working hours, they get normally time and a half.

MR. HISCOCK: Mr. Speaker.

MR. SPEAKER (Simms): The hon. member for Eagle River.  
Does the hon. member wish to yield?

MR. HISCOCK: Yes, Mr. Speaker.

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

MR. LUSH: Now then, Mr. Speaker, we are getting some of the truth. Can the minister indicate, can the President of Treasury Board indicate just how many workers are coming in? We have eighty-two on strike, are there eighty-two workers coming in and if so at what cost to the Province?

MR. FLIGHT: Per week. How much does it cost to keep the strike going.

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

DR. COLLINS: Mr. Speaker, I am not certain where the hon. member gets his figures. The last figure I heard was seventy-seven on strike, not eighty-two, but I will make a

DR. COLLINS: check. I am thinking of, say, Friday; there might have been some change from Friday, but the information I had up to Friday was there were seventy-seven members of the work force on strike. As to the number of the people who came in from other institutions, I do not know the precise number but it is a very small number. I do not know the precise number but if it is of the order of several, two three, four; that type of thing. I will endeavor to get the exact number if it is of any particular interest. It is certainly not anywhere near, not even closely, not even approaching the number who are on strike.

MR. HISCOCK: Mr. Speaker.

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

MR. HISCOCK: Mr. Speaker, my question is for the Minister of Social Services. It is with regard to a study that was brought in by the Provincial Government stating that the highest cost of oil and by-products and stove oil in this Province was on the Labrador coast. In this regard I wrote the minister and asked him if he would bring in a policy allowing people on social assistance in Labrador to have longer payments of \$20.00, I believe it was, from April to November. Can the Minister of Social Services (T.Hickey) inform this House has the government decided to bring in extra grants to people on social services in Labrador because of the high cost of fuel oil and longer seasons?

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

MR. HICKEY: Mr. Speaker, there are two parts to that answer, I guess, that I suggest I should give the hon. gentleman.

First of all, the matter of increased cost of fuel in Labrador is under review. I was in Labrador about a month ago and discussed with my staff there that problem, and it is presently under review. That is the first answer. The second part of the answer is that there is no plan within this fiscal year to change the present policy. Each case will be dealt with on its own merits. If there are extenuating circumstances within a family in Labrador, as on the Island, then certainly additional monies will be made available to that family based on need and based on the conditions under which that need is established. That is the only way I can answer the hon. gentleman. But to say in response to his question as to a broad change of policy affecting every family where a special allowance or an additional amount of money for fuel going to each family, no, not during the present fiscal year.

MR. HISCOCK: Mr. Speaker, a supplementary.

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

MR. HISCOCK: Mr. Speaker, the minister ended up stating that it is not in this year's Budget or this year's account and maybe it will be in next year's.

With regard to the price of fuel being the highest in this Province - and the recommendation basically said fuel will end up getting higher - is the Minister of Social Services saying that he is not taking the recommendation of his social workers and directors in

MR. HISCOCK: Goose Bay as well as his staff here who are recommending that this extra cost should be given to the people on social services in Labrador?

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

MR. HICKEY: Mr. Speaker, I do not know where the hon. gentleman gets so much information. He seems to know a great deal about what my social workers in Labrador and my staff in my department here are recommending.

SOME HON. MEMBERS: Hear, hear!

MR. HICKEY: I suggest to him that his sources are not very good because no such recommendations have reached my desk and someone is putting him on, I suggest, if they tell him that. I am sorry to hear if in fact he is being told that. Indeed, I would love to know the names of those who are telling him that. That is number one.

Number two, I am aware -

MR. STIRLING: (Inaudible).

MR. HICKEY: Mr. Speaker, would the Leader of the Opposition allow me to respond to the hon. gentleman?

MR. SPEAKER: Order, please!

MR. HICKEY: I am quite well aware of the difficulties experienced by families in Labrador, Mr. Speaker, and furthermore there is a difference in the amounts of money provided for fuel to families in Labrador as compared to the Island. In cases where there is need, that same differential will be applied in the Labrador region in keeping with those costs. To embark upon a new policy for Labrador would be discriminatory, to say the least. When I embark upon that kind of policy, Mr. Speaker, by way of recommendation to my colleagues, it will affect this whole Province.

MR. SPEAKER: Order, please!  
The time for Oral Questions has expired.

PRESENTING PETITIONS:

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

MR. F. ROWE: Mr. Speaker, I have a petition signed by 350 residents of the community of Dildo in the electoral district of Bellevue. I will read the prayer of the petition, Mr. Speaker.

"We, the residents of Dildo, support the Fishermen's Committee, the Society of United Fishermen and the Development Committee" - the Development Committee is a local committee of the Upper Trinity South Rural Development Association, "in its effort to get Old Broad Cove Road upgraded."

That is the prayer of the petition, Mr. Speaker.

Now, Mr. Speaker, this particular road apparently, and I might add that this matter was brought to the attention of the Minister of Transportation and Communications (Mr. Brett) by a delegation and referred to the Minister of Lands and Forests (Mr. Power). The Minister of Lands and Forests did receive the petition and out of courtesy passed it over to me because he thought Dildo was in the district of Trinity-Bay de Verde, but it is the next adjoining community to the district that I have the honour of representing.

But this particular road, Mr. Speaker, starts in Dildo and runs towards the old railway track from Whitbourne to Tilton, and it is a distance of four miles that needs to be upgraded. The purpose of upgrading the road, Mr. Speaker, is not for transportation of people back and forth to work, or back and forth to communities or that sort of a thing, but this particular road leads to some heavy wood stands and some very good blueberry picking grounds. And the residents from Whitbourne and Blaketown and Dildo and Old Shop and Greens Harbour and Hopeall and New Harbour all use that particular road, or try to use that road, I should say, for the purpose of getting firewood, number one; wood to build small boats and

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MR. F. ROWE: longliners; and wood to build homes and there is one sawmill operation in there. And as I already indicated, they also use it during the Summer for blueberry picking grounds.

A local contractor, Mr. Speaker, indicated that this road would cost in the vicinity of about \$13,000 only to upgrade for the purpose for which the people wish to use it. And I would submit, Mr. Speaker, that this small expenditure of \$13,000 would be well worth that expenditure in order to help the people at this point in time with high fuel costs, high unemployment, and would help them to provide fuel for their homes, wood for the building of their homes while they are unemployed,

MR. F. ROWE: or renovations or additions to their homes and for the building of boats. And, of course, to help families during the blueberry picking season to provide an additional income.

So, Mr. Speaker, on behalf of the people stated in the prayer of the petition, I whole-heartedly support the petition and thank the Minister of Forest Resources and Lands (Mr. Power) for his courtesy in passing this particular petition to me. I ask that it be laid upon the table of the House and referred to the department to which it relates.

MR. SPEAKER (Simms): Any further petitions?  
The hon. the Leader of the Opposition.

MR. L. STIRLING: Mr. Speaker, I rise in support of the petition. The delegation came in to see the Minister of Forest Resources and Lands because they were given the impression that it is going to be treated as a forest access road. And in view of the fact that it is in the district of Bellevue, I would say that this petition will get the promptest attention. And I hope that somebody on the other side can confirm today that the \$13,000 has been found and it will be upgraded immediately.

MR. SPEAKER: Any further petitions?

ORDERS OF THE DAY

Motion, 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)

MR. SPEAKER (Simms): The hon. Minister of Labour and  
Manpower.

MR. J. DINN: Thank you, Mr. Speaker.

I have a few comments I wish to  
make on this piece of legislation. First of all, I want to  
compliment the minister on her introductory remarks in  
explaining the purpose of this piece of legislation and  
the fact that the City of St. John's wishes this Legislature  
to provide the capability of changing from an inequitable  
rental value system of taxation to a more equitable capital  
value system.

Now, Mr. Speaker, the City of  
St. John's has been talking about this for some years and  
they have now eventually gotten around to, actually with  
the Department of Municipal Affairs and the legislative  
drafts people getting this Act together. Hopefully, Mr.  
Speaker, it can be passed by this House prior to the end  
of this year so that the capital value system can come into  
play in 1981, so that in the first year



MR. DINN: commercial properties, industrial properties can be converted and in the following year, in 1982, they can get on with a phased-in approach to converting the rental value system to the capital value system and the effect on the taxpayers can be phased in over that five year period as outlined in the act. Now, Mr. Speaker, two hon. members opposite spoke on this bill and it makes one wonder, number one, whether they read the bill and, if they did, whether they understood it, and, number two, whether they even listened, they bothered to even listen to the minister in her opening remarks. Because she explained quite clearly what the bill was attempting to do, and basically what we are discussing now is the principle of that bill as to whether we should provide the City of St. John's with the capability of changing from the rental value system to the capital value system.

Just to give an indication to the kind of disjointed approach that we have had to the discussion on this bill to this point in time, the member for Carbonear (Mr. Moores) agreed with the principle of the bill; of course, that is what we are discussing right now, the principle of this bill, so in his speech he said he agreed with the principle; however, he was not going to vote for the bill. So that is just a contradiction, I guess, in how one approaches legislation in the House. If you agree with the principle and we are discussing the principle, one would think you would go for the principle and if there were some parts in the bill that you would like to change, you would do that in committee and make recommendations and if they are accepted by the House then they are accepted, and if there are additions that you would like to make then you can do that in committee also.

MR. DINN: Now, Mr. Speaker, he also said that he wanted to stand up for the citizens, the ordinary citizens or the people of St. John's, and then he went on to say that - and it is recorded in Hansard, he said, "The people of St. John's have been sucking the people of the rest of the Province dry." So in one sense he wants to stand up for the people of the City of St. John's and in another sense he talks about how they are sucking the rest of the Province dry. And then he goes on to prove his case, Mr. Speaker, by listing off or by telling this House about all of the pavement upon pavement that the City of St. John's gets and he neglected to tell the House, to inform the House, on the other hand, that every piece of pavement that goes on over pavement in the City of St. John's is paid one hundred per cent for by the people of St. John's.

MR. THOMS: (Inaudible)

MR. DINN: It is paid one hundred per cent by, Mr. Speaker - now the hon. the member for Grand Bank (Mr. Thoms) wants to interrupt again because he cannot sit in his seat and be quite. The hon. member should be able to do that because he has an opportunity after me if he wishes to speak on this bill.

MR. THOMS: (Inaudible)

MR. DINN: That is his problem Mr. Speaker, The rules of the House state that I have certain rights and privileges in this House and the hon. member should abide by those rules, otherwise he is going to get burnt. Now, Mr. Speaker, the hon. member for Carbonear (Mr. Moores) in his speech also attacked the Mayor and the councillors, Mr. Speaker, and he attacked private individuals, The Evening Telegram, the Premier was attacked for giving assistance to the Synchronlift. Mr. Speaker, we have no apologies to make for any of those items, it has very little if anything to do with this piece of legislation which is the principle of whether the people of the city of St. John's,

The mayor and councillors of the city on a request to this legislature have a reasonable request in here, and that is a request to change from the rental value system to the Capital Value system. And everyone agrees, of course, that this is a fair and equitable, or more equitable taxation system than the one that is in place down there now. Anyone who knows the district of Pleasantville will know that well over half of the people living in the district of Pleasantville live in apartments, and all of these people pay under the inequitable system that is in place right now. Now, also, in converting to this more equitable system, this system that is in place in 80 to 90 per cent of all municipalities on the North American continent, the councillors, in conjunction with the Department of Municipal Affairs and Housing, have requested-and I believe it is somewhere in Section 120 or thereabouts-have requested that not only do we do this but that we go to- because they are ready they can convert on the 1st of January 1981 to Capital Value, to the Capital Value system in commercial and industrial, and they have a

MR. DINN: year to prepare for the setting in place of the Capital Value System by January 1st., 1982. Now, I know that I have discussed this with the city of St. John's over the past several years, As a matter of fact, in 1976 when I was Minister of Municipal Affairs - it was discussed at that time and the City of St. John's in its wisdom, I believe in its wisdom, has now request this legislation and it behooves us, I believe, Mr. Speaker, in fairness to the people of the City of St. John's, that we should provide the Council with the capability of converting because we all know that this is a more equitable system and of course the principle of the bill, I do not believe anybody disagrees on the opposition side with the principle of bill. The Leader of the Opposition complimented the City Council for the positive move that they have made and that is with respect to this legislation, I would assume. The city had much to do and the City solicitor had much to do with

MR. J. DINN: the drafting of the legislation that we have before us now. It has been basically approved by the city before it was brought to the Legislature by the Minister of Municipal Affairs (Mr. Newhook). Of course, she has gone through every clause in the bill and has agreed with every clause, obviously; there may be an amendment or so in the legislation that we can discuss in Committee. And basically, Mr. Speaker, it provides for what the Council of the City of St. John's wants to do to make a more equitable system of taxation for the city. So the Leader of the Opposition (Mr. Stirling) stated that the act was poorly drafted but I think on reflection, if one goes through the various aspects of the act, and of course, there are explanations for each of the clauses in the act, that if there are questions, and I have gone through the act twice-and I am not a learned gentleman like my friend from Grand Banks (Mr. L. Thoms), certainly not learned in the law; he may find some -

MR. STIRLING: Can you explain Clause 101?

MR. J. DINN: Well, the minister can explain Clause 101 when she gets up to speak on the legislation. But the fact of the matter is there may be some clauses in this act that need change. I have not seen any, I have gone through it twice now and there were some questions that I had about several sections in the legislation and, of course, I have had my queries answered or answered to my satisfaction. So, Mr. Speaker, the minister, of course, I have been watching her down there listening to all the speakers in the House and she has been taking notes and, of course, she will address herself to some of the questions that the hon. members opposite have had. So without further ado, Mr. Speaker, I support the bill, I think it is long overdue. It is a piece of

MR. J. DINN: legislation that the people of the City of St. John's, of course, after it is enacted, after it becomes an act and if it becomes an act, will be treated more fairly, especially the people in the rental accommodations in the city which, over a five year period, will be looked after and I would anticipate that there will be some decreases in rent. But whether there are or there are not, the people in rental accommodations in the city now pay way too much for the accommodations that they have in taxation to the City of St. John's; I think it is something like 30 to 35 per cent of the income on the apartment. So I support the principle of the bill and hope that this House sees fit to allow the people of the City of St. John's a more equitable tax situation.

MR. SPEAKER (Butt): The hon. member for Lapoile.

MR. NEARY: Mr. Speaker, I have no intention of dealing with the rubbish that we just heard from the hon. gentleman who just took his seat. The hon.gentleman is becoming a source of embarrassment with his low level debating in this House. He is becoming a source of embarrassment to the Premier and to the government. The hon. gentleman was asked by the Leader of the Opposition what he thought of Section 101. The hon. gentleman told us during his remarks that most of Pleasantville, his district, that most of the people down there live in apartments and were paying rent; and he was delighted, delighted for their sake, that the rental value system is now going to be replaced with the capital value system. He is delighted about that but he did not answer the Leader of the Opposition when he asked him about 101. And what 101 means, Mr. Speaker, and do not let anybody be coddled in this House, what it means, whether it is poor drafting on somebody's part or whatever the reason for it is what it means is that if the landlord does not pay up then there can be a warrant issued to seize the property of the tenant. That is what it means, Mr. Speaker.

And I did not hear the member for Pleasantville (J.Dinn) protect his constituents who occupy these apartments against this sort of action on the part of the parties. If the landlord does not pay his taxes, the sheriff or whomsoever can move in, swoop down on the tenant and seize the tenant's property to pay the landlord's bills. That is what it means, Mr. Speaker.

Let me read it, in case any hon. gentleman may have any doubts about it, 101 (1), "For the purpose of enforcing payment of taxes, the City Clerk may issue warrants of distress, and seize and sell any goods or chattels

MR. NEARY: of the person by whom such amounts shall be due or any tenant or leasee thereof."

The Government House Leader cannot deny that that is of such a general nature, is so vague, mentions the tenant in that clause, that there is no doubt in anybody's mind who has an ounce of common sense what it means, that if the landlord does not pay his bills, his taxes, the City Clerk can issue warrants to have the property of the tenant seized. And we just heard the minister there saying, "I support this bill because a lot of my constituents are living in apartments." There is no way the minister of Municipal Affairs (H. Newhook) can justify that, no way in this



MR. NEARY:

world. You can argue all you like that it is sloppy drafting, if indeed that is what it is, because this whole act, Mr. Speaker, is very poorly put together. It looks to me to be a hodge-podge of two or three acts hastily put together under one act. There seems to be no rhyme or reason, no continuity to the act. And I would say that the reason that it was put together in a hurry was because the City of St. John's wanted to get it passed before the House rose for Christmas. Well, I would say that is too bad for the City of St. John's. Because there is no way, Mr. Speaker - I do not care if I am here for my Christmas Day dinner - there is no way that this bill is going to be railroaded and rammed through this House in a hurry, a bill that so drastically affects the poor people of the city of St. John's.

Mr. Speaker, there is another aspect of this bill that I hope no hon. member of this House will be fooled by: It is an increase in taxes for the majority of the people of St. John's. I hope that nobody is naive enough, is stunned enough not to think that this is not an increase in taxes. This is a substantial increase in taxes for the ordinary person who owns his own home in the city of St. John's, who is now struggling to keep his head above water, struggling to stay away from personal bankruptcy in this city. And they are numerous, Mr. Speaker. So let us put that to rest right away. Let us not be fooled into thinking that all we are doing here, just to please the poor old City of St. John's, all we are doing here is just changing from the rental value to the capital value, when in actual fact, Mr. Speaker, it is an increase of taxes, almost double, I would say, if not double. It is double taxation for almost 17,000 householders in the city of St. John's. You multiply that by five and

MR. NEARY: that is close to 30,000 people who two or three years down the line will be paying double the amount of property tax they are paying now -

MR. HANCOCK: Thanks to the Tories.

MR. NEARY: - thanks to the ten Tory members in St. John's who do not have the courage to stand up in this hon. House and come to the rescue of the ordinary person who owns a house in the city of St. John's. They do not have the courage, Mr. Speaker. That is gratitude for you! The people in St. John's elect ten Tories to this House and when the City of St. John's come to them with a bill to double the taxes of the householders in St. John's, they rubber stamp it.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: They say, 'Oh, yes, whatever the City of St. John's wants we will give it to them, even though they may be running an inefficient, incompetent organization - building parking garages and doing all kinds of silly,

MR. NEARY: foolish things with their money. We will rubber stamp it and let them have a 100 per cent increase in property tax in the City of St. John's."

MR. J. CARTER: We will sock it to the tenants instead.

MR. NEARY: Mr. Speaker, now I am coming to the tenants. What guarantee is there that the tenants are going to get the benefits of any tax savings by the landlords? Now, Mr. Speaker, if the hon. member for St. John's North (Mr. Carter), who represents one of these St. John's districts, if the hon. gentleman is genuine and sincere in seeing that this saving, if there is any, is passed on to the tenant, let him stand up and support our recommendation, that a law be made in this House forcing and compelling, making it compulsory for the landlord to pass back in cash a payment to a tenant on the amount saved by substituting the capital rental value system for the rental value system.

If the hon. gentleman believes what he just said, let him stand up and support that. And also, Mr. Speaker, let the hon. Tory St. John's member stand up and support another recommendation that I am going to make, and that is that no person, no resident of St. John's, should have his property seized, should have his home taken away from him because he cannot pay his municipal taxes.

MR. HANCOCK: No one should have that happen. No one should have that happen. Not only in St. John's -

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Not only in the City of St. John's, as my hon. friend reminds me, but nowhere in this Province should a person lose his home, lose his house because he cannot afford to pay his taxes.

Now an argument may be used, "Well, the finance companies can come in and seize their home." That is a different matter, Mr. Speaker, that is a technical matter, it is a different matter. I am not saying that the taxes and

MR. NEARY: arrears should not become a part of a person's estate -

MR. HANCOCK: Tax his wages or something.

MR. NEARY: - that the home cannot be sold until the taxes are paid. What I am saving is this, and here is a Liberal principle that I am enunciating Mr. Speaker, and this is a Liberal reform. The Liberal reform that I am announcing now is this, that nowhere in Newfoundland, nowhere in this Province, should a person lose his home, his home or her home for taxes in arrears, because they cannot pay their municipal taxes.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Now if the ten Tory members in St. John's -

MR. HANCOCK: That is a Liberal platform.

MR. NEARY: I will make that a plank in our platform right here and now and I saw the leader pounding his desk there, and I would assume -

MR. STIRLING: I already said it in my debate.

MR. NEARY: The hon. gentleman already said it. I am sorry I was not here to hear it.

MR. STIRLING: We are all in agreement.

MR. NEARY: We are all in agreement. It is a part of the Liberal platform. It is a part of our policy. It is another great Liberal reform. All the reforms in Canada, and in Newfoundland, all the great reforms were brought in by a Liberal government, by Liberals.

SOME HON. MEMBERS: Hear, hear!

MR. HANCOCK: Not according to Mr. Barry.

MR. NEARY: And this great reform, Mr. Speaker, will be brought in by any Liberal government in this Province. And let me repeat what it is again, especially for the benefit of the St. John's Tory members, ten of them, who have broken faith now with the electorate, with the people who elected them. They are betraying the people who have placed their faith and their confidence in them. It turns out to be blind faith, blind faith. They are now going along with the City of St. John's, and not only that, Mr. Speaker, but the city that did not have the courage and the gumption to implement this tax before the next election. They are going to stall it, put it off until 1982 when they think they will have themselves tucked back securely into office, and then they will come on with the tax, doubling the property tax for homeowners in St. John's. They may get a rude awakening, Mr. Speaker. The people of St. John's are not that stunned.

MR. MOORES: That is right.

MR. NEARY: They are not going to have the wool pulled over their eyes by that crowd. They have had it happen to them before but it is not going to happen again. 'In 1982, we will start to phase in in 1982, after the election is over and we are all down there in City Hall again, so they think. I would say all somebody has to do in this city right now, Mr. Speaker, is to run a slate against them, all they have to do is get somebody to run for Mayor and fill the number of pigeon-holes for the councillors, run a slate and she would be gutted from one end to the other because the people of St. John's are fed up with that crowd, fed up with them.

And, Mr. Speaker, if I were on

MR. NEARY: the slate I could win an election on this bill alone. And do not let the Tory members now stand up in this House and start cringing and scrabbing and crawling and trying to cling on by their fingernails. Let them get up, if they have any courage, and vote against this bill - because I am going to vote against it. I am going to vote against it. Let them stand up and have the courage of their convictions. Do not twist and turn and be wishy-washy. I challenge them now to stand up for the people who elected them and do not be cowards. Do not stand up for the millionaire landlords in this city. And, Mr. Speaker, let us not hear the foolish arguments, 'Oh, in order to get more apartments and get more apartment buildings built, we have to have this, we are discouraging development! What silly, foolish nonsense! I think in the last couple of years I have heard more arguments going on in City Hall and more briefing sessions - they must have a briefing session down there to decide whether they are going to go the bathroom or not - more briefing sessions about whether they are going to allow that apartment building to be constructed - why, only recently I heard about Better Homes wanting to spend \$20 million or \$30 million, Carol Developers want to spend

MR. NEARY: another \$20 million or \$30 million, or \$10 million or \$15 million to put up apartment buildings. There is no shortage of applications to build apartments in this city. That is just a weak-kneed excuse for socking it to the people of this city, and they are not going to get away with it, even though it is before Christmas and the government are hoping that the debate in this House will be buried on page 22 of the Evening Telegram. What a Christmas present to give the people of this city! What a Christmas present! We are going to double property taxes on the homeowners of this city, and then they try to cover it up and weasel their way out of it by saying, 'But the tenants are going to save a few dollars.' How do they know that, Mr. Speaker? They do not know it. Unless this House can give the tenant a law saying that the landlord has to pay back the savings to them, unless they can do that. Hon. members of this House know some of the landlords in this city. And I ask hon. members, ministers, Tory members for St. John's, in all sincerity now, tell us man-fashion, level with us, be straight, be honest, do hon. members think that the landlords that they can think of in this city are going to be charitable enough and generous enough that when they get a few savings under this new capital value system that they are going to write a cheque or they are going to go down and draw the cash out of their bank in the Bahamas somewhere and pass it over to the tenants who occupy their apartments? Are they going to do that, Mr. Speaker? How many landlords does Your Honour know? They will get their accountants to work, the Chartered Accountants and the lawyers will be called in and they will find some way to chisel the tenants out of that money. I heard the argument used in this House, 'Oh, well, they will not be asking for a rent increase for the next year or two.' What silly nonsense! They have no

MR. NEARY: conscience, Mr. Speaker. Some of them are dominated by the Cosa Nostra; the Mafia own and operate some of them. And the hon. gentlemen will have the gall and the nerve to get up and tell us, 'Oh, yes, they are not all owned by the Coas Nostra or the Mafia,' but some are. I tell you, you have to go a long way in this city to find a decent landlord; although there may be some around, you have to go a long way. And they will get up in a minute and defend them and they will say, 'Oh, yes, they will pass the savings on. They will not be coming looking for an increase for a year or two.' And we are supposed to vote 'yes' for this bill on the strength of their saying that. What a joke, Mr. Speaker! Who are they trying to cod?

And let me make another point.

Apart from all the other points that I just made, let me make another point. I believe the Leader of the Opposition referred to this the other day, that in this city there is now a 2 per cent fuel tax, two cents a gallon collected on heating fuel in this city. That is supposed - Mr. Speaker, I do not know if you are aware of it or not - but that two cents a gallon is supposed to compensate the city with the revenue that they would be losing because they do not have the capital value system in this city up to the present time. Now, Mr. Speaker, are they going to take that two cents a gallon off the fuel tax? Are they, Mr. Speaker? Did the minister tell us that when she introduced the bill? The minister did not even refer to it. Will this House demand and insist and make it mandatory and compulsory, and pass a law that that two cents will be removed?

MR. STIRLING: As a matter of fact, it is brought forward in this new act.

MR. NEARY: It is brought forward in the new act. You are darned right it is brought forward in the



MR. NEARY: new act, because they have no intention of taking it off. Sock it to the poor old people of St. John's who are now struggling for survival because of the government's oil boom syndrome driving up the cost of living, driving up the cost of mortgages, driving up the cost of real estate, driving up the cost of homes - all caused by this government, out ranting and raving and the Premier waving his arms, glassy-eyed and wild-eyed, talking about oil got everybody driven off their heads in St. John's especially, about oil. And, Mr. Speaker, it is going to be the ordinary homeowner and the ordinary person who is renting an apartment who is going to pay dearly for this government's oil boom syndrome. They are doing it now. They cannot meet their mortgages, they cannot pay their rents. In come the oil companies, inflating

MR. NEARY: the price of real estate and property and rent and homes in this city and they do not even want to hobnob with the people of St. John's, they are too good.

The oil company employees, their wives are now downtown forming their own little clubs, their own little clubs. The people of St. John's are not good enough for them.

AN HON. MEMBER: Are you sure it is true?

MR. NEARY: That is true. The hon. gentleman, I do not know if he has been invited to one of them yet or not. Mr. Speaker, they are forming their own clubs and, Mr. Speaker, the oil boom if it does come, will not help these people that I am talking about, the ordinary person in this city, it will not help them. If I can persuade one member, one Tory member to vote against this bill, Mr. Speaker, I think my speech would have been very worthwhile, but it is going to be a job to get the leopards to change their spots. They will get up - I will tell you what they will do, the lawyers over there especially, they will find some way, they will find something they can hang onto, some way to support this bill. They may use weasel words to do it, but they will find some way because this is a government measure and rather than betray their constituents, rather than knife their constituents in the back they will say, 'Oh, it is a government measure, I had to vote for it.' Maybe a wrong government measure -

MR. TULK: The Minister of Mines and Energy (L. Barry) will vote against it.

MR. NEARY: No, the Minister of Mines and Energy, do not fool yourselves, is not voting against it.

MR. NEARY: The hon. gentleman may have minor outbursts of false courage once in a while, but I guarantee you on this one he does not have the intestinal fortitude to get up, after getting clobbered and going over to Dalhousie and then coming back and running in a safe St. John's Tory seat and after making all kinds of promises and pledges to the people of St. John's. Let him now get up, let him show his true colours, let us see the Tories, the Tory blue now flying in the wind, Mr. Speaker, because the City Council came and they said, 'Oh, we must have this, we must have it,' the government, and especially the ten Tory members from St. John's, rubber stamp it.

MR. WARREN: Yes, and before December 31st.

MR. NEARY: And they have to have it before the end of December, so the minister tells us, so they can get their tax rolls in order the first of January. I will tell you, the City Council of St. John's will be everlasting grateful to the minister and the ten red-roaring Tories in this city.

Now, Mr. Speaker, let me go over it again just to make sure. This is an increase in taxes for 17,000 householders in this city.

AN HON. MEMBER: Is the media listening?

MR. NEARY: I hope they are listening. I hope they are listening so they come out with their editorials and the Open Lines will be full of it: 'Where is my member in St. John's? Where is the member for St. John's East (W. Marshall) when we need him? Where is the member for Mount Scio (L. Barry) when we need him? Where is the member for St. John's North (J. Carter) when we need him? Where is the member for St. John's Centre (Dr. McNicholas)

MR. NEARY: when we need him, Sir Gallahad, on his white horse who came down in the Centre to succeed dear old Ank. Dear old Ank would not go along with this. Let the hon. gentleman get up and speak against it and vote against this bill.

So that is the first thing, it is an increase in taxes for 17,000 - double taxation. Six to eight thousand tenants, no guarantee they are going to get any benefits from this bill, no guarantee. This House should give them this guarantee if we are sincere about it. The two cents per gallon on sales tax, not going to be taken off and Mr. Speaker, seizure of property owned by tenants to pay off landlord's debts.

And then I tossed in, Mr. Speaker, the Liberal reform, one of the great reforms, and that is that nobody but nobody in the city of St. John's, or anywhere in Newfoundland or Labrador should lose their home, should have their home seized, should have the sheriff swoop down on them, should have his home advertised for in the paper because of non-payment of municipal taxes.

MR. HAMCOCK: Tory times are hard times.

MR. S. NEARY: There is no doubt about it, 'Tory times are hard times'. There is no doubt about that and the people are beginning to realize it.

MR. W. MARSHALL: (Inaudible)

MR. S. NEARY: Mr. Speaker, the hon. member for St. John's East (Mr. Marshall) is over there now, he is champing at the bit, he is getting ready to spring to his feet as soon as I sit down. And he is picking and choosing, now in his mind his weasle words that he is going to use. He is going to be very careful. I will bet you he will drag in the biggest red herring in this debate you ever saw in your life to try to distract his constituents and the people of St. John's from the real issue here, the real issue being that 17,000 homeowners in the city of St. John's are going to pay double taxes in two or three years from now. They are going to have their taxes doubled. Doubled! And the city council that they have gotten in bed with did not have the courage to do it before the election. They are going to do it after the election. What a brave crowd! They are a crowd of brave souls.

MR. G. WARREN: They will not be around.

MR. S. NEARY: That is right, Mr. Speaker, they will not be around. We have seen enough now of their incompetence in the last few years.

AN HON. MEMBER: (Inaudible) legislation.

MR. S. NEARY: Oh, they did not even bother to check. They just accepted it. They said, 'Well, whatever the city wishes, that is what the city will get'.

MR. S. NEARY: Oh, they just came then. This had to be discussed in Cabinet, Mr. Speaker, it had to be approved around the Cabinet table. All the bluebloods had to sit down and look at this bill before it was brought into the House.

MR. TULK: The city wrote the legislation.

MR. S. NEARY: The city wrote the legislation - I must say, Mr. Speaker, I have to say this, with all due respect to our legislative draftsmen, who I consider to be very good, I doubt if they had any input into this. This was a bill that was drafted, I would say, outside the Justice Department. Drafted outside, because I cannot see our own legal draftsmen making a blunder like the one that is in here about the tenants and the landlords, the tenants paying because the landlords refuse to pay their taxes.

Now, Mr. Speaker, it is no good, it is no good for Tory members, ten Tory St. John's members to get up and say, 'Oh, yes, there is nothing we can do about this because this is the city of St. John's'. This is a government bill, Mr. Speaker. Do not let the press get fooled by their smooth talking and their red herring - and they are taking up us to the Gulf of St. Lawrence and back down again in their speeches! Do not let them get carried away! Pin them down and say, 'Look, are you voting for an increase double the amount of property tax on these 17,000 householders? Are you voting for that? Do not let them say, 'Oh, look, we would like to be able to vote against it'. Force them to vote against it! I will stay here until Christmas Day if I have to.

SOME HON. MEMBERS: Oh, oh!

MR. S. NEARY: Mr. Speaker, let them not be hypocritical! Do not let them be hypocritical about it, Mr. Speaker. Pin them down and let them show their true colours. Let them show the people of this city, who elected them, where they stand; where they are when they are needed or will they run away like cowards? We had better remember this, Mr. Speaker, 'Cowards weep and traitors die'.

AN HON. MEMBER: (Inaudible)

MR. S. NEARY: I know where the hon. gentleman fits in with one of the landlords in this Province. I speak for nobody in this House only myself, Mr. Speaker, I would like to know who the hon. gentleman speaks for. And that is another matter and we will deal with that at another time when we get around to our conflict of interest legislation.

So, Mr. Speaker, I am going to vote against the bill for the reasons I just gave. I know the bill is going to be rammed through by the government majority. It is an awful, awful Christmas present to give the people of this city, Mr. Speaker. I cannot find one good aspect, one good feature of this bill. Now, maybe in due course if the hon. Government House Leader (Mr. Marshall) will tell us, 'Oh, well, all the other cities of Canada'- I know what he is going to do, he is going to get up and drag in a red herring and say, 'Well, they have it everywhere else in Canada so why should we not have it here?' Is that what the people elected him for? Is that what they elected him for, to do what they are doing out in Alberta? They elected him to protect their individual rights, not to worry about Toronto or Halifax or Alberta or Vancouver.

MR. S. NEARY: Now, let us see, Mr. Speaker, let us see now where they stand. I challenge the hon. gentlemen. I challenge them to vote against this dastardly piece of legislation brought in a few days before Christmas that they hope can be rammed through the House and shoved over on page



MR. S. NEARY: twenty-two of The Daily News and The Evening Telegram and not make the television or radio station. Very well, Mr. Speaker, somehow or other we can manage to hang her down over here long enough that the message will filter out to the people in this city that they are being done in my their members and their government.

SOME HON. MEMBERS: Hear, hear.

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

SOME HON. MEMBERS: Hear, hear.

MR. W. MARSHALL: Mr. Speaker, I want to address a few words to the bill that is before the House but not necessarily in relation to the words given by the hon. member for LaPoile (Mr. S. Neary). Make no wonder he is the senior backbencher in British North American politics at the present time.

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

MR. MARSHALL: Mr. Speaker, we have heard various reasons against this bill given by the Opposition and various things stated in their attempt to confuse the situation. The fact of the matter is that this particular bill-- the principle of this bill, and what this bill does-- this bill is in essence the same as the present bill that is in effect in the city of St. John's with respect to taxes with the one exception, that it changes-- the major exception and the major principle of the bill, that it changes the basis of levying property tax from the present rental value system to the capital value system. And this has been brought in, Mr. Speaker, because it represents the sum total of recommendations made again and again by various concerns and various commissions which have been charged with the responsibility of inquiring into an equitable and fair system of taxation, fair for all citizen in the area. It was, Mr. Speaker, the

MR. W. MARSHALL: recommendation, it was touched upon and it was a recommendation of the Fraser Commission, it constituted one of the main recommendations of the Whelan Commission, and it certainly was very, very strongly recommended by the Commission of Inquiry into the St. John's Urban Region which is commonly known as the Henley Commission. And I want to -

AN HON. MEMBER: (Inaudible)

MR. MARSHALL: - now the hon. gentleman there opposite can -

AN HON. MEMBER: City Hall wanted it too.

MR. MARSHALL: - and by City Council as well, by people interested, Mr. Speaker, in arriving at a fair and equitable and reasonable system of property taxation and that is the whole reason for this bill.

I refer to the Henley Commission, Mr. Speaker, the third and final report on page 197. I just want to quote a little bit from it. And I quote, it says on page 197, 'If a property tax is to form any part of the tax base for the region'- that is for the region of St. John's- the rental value system presently used by the city of St. John's should be eliminated and a capital market value system instituted. The Commission cannot help but note that of all the representations received supporting some form of property tax base'- and this Commission heard representations from all over the area, everywhere- 'not one single representation supported the rental value system presently in operation in the city of St. John's. Even more significantly, the city itself, in its written brief submitted to the Commission, recommended discontinuance of the rental value system in the following words,' and I will not quote it all but towards the end it says, 'It'- that is the City Council'-reaffirms that decision and suggests that the Commission recommend that

MR. W. MARSHALL: the city be given forthwith authorization to introduce a property tax based on the full market value of property'. And, Mr. Speaker, in conformity with this and following these recommendations, particularly the one in the Henley Commission Report, this bill is now before the Legislature.

It will, Mr. Speaker, result in, as I say, a fair and more equitable system of taxation in the city. As, I think, the Minister of Development (Mr. N. Windsor) and the Minister of Manpower (Mr. Dinn) have indicated, within the city of St. John's at present there is a zero vacancy rate. You cannot get an apartment in the city of St. John's and the rentals are accelerating and one of the reasons why these rentals are accelerating is that the supply of apartment units just are not there, so the landlords then are able to

MR. W. MARSHALL:

charge a higher amount. Now, with this there is going to result, and there is already evidence that it is going to result because it has been indicated publicly by the City Council, that the capital value system or the fair market value system will be brought into the city and this has resulted in already more apartment buildings being started. So the net result, Mr. Speaker, is going to be in the long run a diminishment of the rentals charged within the city of St. John's. As to the properties themselves, the property owners themselves, it is noted that the act gives the city of St. John's the right to set two rates of taxation, one for commercial and one for residential. And I have of the hope and expectation that the city of St. John's will so set their rates that some of the people who can perhaps least afford it who happen to be property owners will not be adversely affected. And I am quite sure that they will. But by and large, Mr. Speaker, you can look at this bill, you can paint it in whichever way one wishes to, you can ascribe all sorts of motives to the introduction of it, but the long and the short of it is that study after study after study of the taxation system of the city of St. John's over the past ten or fifteen years have all indicated that the present rental value system is inequitable and it is unfair, it is archaic, it is out of date, it results in less apartment buildings and less housing being available. And do not forget, Mr. Speaker, it is not just the apartment buildings themselves but it is also apartments, basement apartments, and there are many of them around this town and there are many people who have apartments in their houses who have to set their rents and when they set their rents they set it

MR. W. MARSHALL: on the basis of whatever it is, 25 or 30 per cent which has to go to the City Council which in effect gets a cut from the rent. And I have no doubt that over a period of time that this saving will in fact be passed on to the tenants. As far as the tenants interests are concerned, the hon. gentleman there opposite could well take note that no greater friend of the tenants of the city of St. John's or the tenants in the Province of Newfoundland has there ever been than this particular government, which has passed the Residential Tenancy Act and keeps the rentals in this city monitored to the extent that it possibly can be. Now, there are certain things, Mr. Speaker, that I would like though to point out with respect to the city. This same Henley Commission Report when it went into the matter of changing and its main recommendation, as I say, it is quoted down here and underlined, by the way, on page 199, and I quote again 'The rental value system of property taxation in the city should be replaced by a capital market value system'. But it did point out that in order for this to operate really effectively there have to be periodic assessments made from time to time by assessors within the city of St. John's. Now, I know that there had been many changes particularly within the past few years within the city, and the City Council is no different than any other concern, be it the Provincial Government, the Federal Government, corporations, organizations, labour unions, you name it, that with the changes that have occurred through the spectrum of our life particularly in the past few years, it is very difficult to adapt to the changes. But this is a change of taxation within the city of St. John's. One of the essential elements of it is that there be maintained

MR. W. MARSHALL: at the city of St. John's a competent, a proper, compassionate, sympathetic group of assessors who are going to make periodic assessments-and it is necessary to make periodic assessments. I do not know how compassionate an assessor can be, but, I mean, there certainly have to be periodic assessments made and the responsibility lies with the city of St. John's. So in passing this act the government is passing it in the expectation and in the confidence that the city will maintain, as I said, a competent and a realistic assessment staff to administer the act. Similarly, Mr. Speaker, as I might say when we are

MR. MARSHALL: talking about the city, I say this because sometimes they have not kept up-to-date, as I say, as I suppose a lot of people have not with changing times.

Now the hon. the Leader of the Opposition (Mr. Stirling) mentioned on certain aspects - I think of section 101, he referred to. He referred to section 101. Now, you know, you see the hon. Leader of the Opposition got up and made what I thought to be in some respects reasonable comments on Friday last, and human nature is such when one hears the type of speech made by the hon. the member for LaPoile (Mr. Neary), that, you know, you sort of recoil against what might have otherwise been a reasonable position because he tried to take what the hon. Leader of the Opposition gave us and tried to politicize it. So, as I say, human nature as such, I suggest that in addition to the hon. the Leader of the Opposition, whom I must really congratulate for his being able to shackle and put the hon. member for LaPoile (Mr. Neary) on a leash by putting him in the backbenches, that I think perhaps he will do well between now and the commencement of the next session of the House to have a talk with him and see if he can stop the type of attack and diatribe that the hon. member made when he spoke.

AN HON. MEMBER: (Inaudible) the hon. member for LaPoile.

MR. MARSHALL: But on 101(1), now I know the hon. members have to say that because they are in the same party, but I know they agree with the gentlemen on this side of the House, Mr. Speaker, with respect to that. We are at one with that and we know that they are doing, and eventually they will -

MR. FLIGHT: We said the same thing about Premier Moores.

MR. MARSHALL: - they will continue, you know, they will continue the chasm hopefully.

But anyway, Mr. Speaker, that observation I must say, and there will be in committee, because this is the

MR. MARSHALL: whole purpose of it. I mean the hon. member mentioned that the way this section reads, and I know we will get into it in committee, that, "For the purpose of enforcing the payment of taxes, the City Clerk may issue warrants of distress and seize and sell any goods or chattels of the person by whom such amounts shall be due." Now when you get up to there there does not seem to be anything too much wrong with it. Somebody who is liable has to pay taxes. But then it goes on to say, "or any tenant or lessee thereof." So, you know, we are thankful that this has been brought to the attention - I think the hon. minister already had it on her list of amendments anyway. But I mean that is not a -

SOME HON. MEMBERS: Oh, oh!

MR. MARSHALL: - the point is this, I expressed the government's appreciation to the Leader of the Opposition for bringing this to our attention and we certainly will take a look at it because it is not the intention of this government that somebody else's property can be taken to pay the debts of the principle debtor.

So, as I say, we express our appreciation for that observation and we will certainly take it into account. This is the whole purpose for the way the House operates and this is the way the House should operate, that, you know, we appreciate constructive suggestions from the members on the opposite side of the House and we are quite prepared to accept their constructive suggestions from time to time and I wish to congratulate the Leader of the Opposition for bringing it to our attention and to thank him for his assistance in the formulation of this act.

I cannot say the same thing, unfortunately - I would have said the same thing for the member for LaPoile (Mr. Neary), if he had expressed himself perhaps in a little bit different basis.

Now having said that, and having made that statement, let us not go so far as to make foolish statements about



MR. MARSHALL: the fact that, "Oh, this bill was drafted in haste and it is a sloppily put together bill and it is a bill that - we do not bring bills before the House that have not been weighed and very carefully weighed in the balance by both the Cabinet and the caucus. This bill contains over 100 sections. It is sixty printed pages long and, you know, I mean this is the whole purpose - if it were not the purpose of bringing up bills like this for examination it would be just as well to put them through a computer and have them passed, I suppose, that would be the - but this is a part of the governmental function. And as I say we appreciate what the hon. Leader of the Opposition - his assistance given to us, but at the same time I would turn to the member for LaPoile and indicate, you know, do not jump up and down and start insulting people who have drafted the bill, competent people who know what they are doing. It is their profession and everybody makes a slip from time to time. I have no doubt that that particular section out in this bill is a hangover from the way in which the laws were in the 1920s and 1930s and you see many examples of it because they have been carried over. Because,

MR. MARSHALL: Mr. Speaker, as I say, this bill is purely and simply in its essence, in its pith and substance and in its principle, even though it contains one hundred and twenty pages, the only change in the taxation structure of the city of St. John's, the main change in it is going to be the adoption of the capital value system, replacement of the old inequitable rental value system, the bringing of fairness and equity in the taxation system to the city of St. John's, as recommended not just by this government who brings it forth, but by the Whelan Commission, by the Henley Commission, by City Councils, past and present, by people who made recommendations—and there were so many of them—to the Henley Commission — as I say, there was not one who did not agree with it—so it is universally accepted. We are bringing it in for that purpose and I would hope that the debate, you know, on the bill would really be along those lines. I congratulate the minister for bringing it in in the fashion that she did. It was unfortunate that we had to have a little bit of a ruffle before she was able to get on her feet, but when she got on her feet she introduced it in a very fine splendor and I would hope that when she closes the debate she can convince the hon. members opposite to vote for fairness and equity which is what this bill represents.

SOME HON. MEMBERS: Hear, hear!

MR. THOMS: Mr. Speaker.

MR. SPEAKER (Baird): The hon. member for Grand Bank.

MR. THOMS: Thank you very much, Mr. Speaker.

I would like to have a few words to say about this particular bill that we are debating in the House right now. I realize, Mr. Speaker, that I have not been in the House of Assembly for

MR. THOMS: as long as the Minister of Manpower (J. Dinn); however, I do not think I am mistaken when I believe that it is a responsibility of the Opposition to point out flaws in any particular piece of legislation which is brought before the House. The Minister got up and chided the Opposition for making comments and suggestions of changes to the legislation prior to it coming before the Committee of the Whole. He also gave as his only argument for the support of this legislation, that one simple, sacred gospel argument for supporting the bill was that this is what the city of St. John's wished. In other words, Mr. Speaker, what the minister is saying whatever the city of St. John's wishes, whatever the city of St. John's wants, then that is what the city of St. John's gets.

Maybe, Mr. Speaker, the citizens of St. John's will have something to say about that when the present Premier of this Province has nerve enough to call an election.

MR. OTTENHEIMER: (Inaudible).

MR. THOMS: At least the Minister of Justice (Mr. Ottenheimer) has shown good taste - who he would have supported, Mr. Speaker. But, Mr. Speaker, one of the reasons, one of the reasons that the minister gave was that the principle of the bill, the main, the major principle of the bill is a conversion of the present rental tax system in the city of St. John's to the capital system, the capital value system. I support that change in this act. It does make the tax situation more equitable. I am afraid I cannot agree entirely with -or maybe not at all with my friend from LaPoile (Mr. Neary) who says that the landlords in the city and these corporations doing business in this area are Mafia controlled. I know, I think I know most of the landlords in the city of St. John's and I certainly have no evidence that the Cosa Nostra or the Mafia controls the apartment buildings in this city.

MR. THOMS: But, however, Mr. Speaker, I would like some assurances, I would like some assurances - if this takes an amendment to the act, then so be it - I would like to see some assurances that the beneficiaries of this change to the capital value system do in fact get some benefits from it, But I would suspect, Mr. Speaker, as the Leader of the Opposition and the member for LaPoile (S. Neary) have said, that with the passage of this act, the tenants in this city, their rentals

MR. THOMS: will not go down. Of that you can rest assured, the rentals will not go down. Now, they might not go up as fast as they normally would. Although the landlords of the city may not be controlled by the Mafia, none of them are that generous that they are going to give a rebate to the tenants and I just do not think that that is going to happen.

Mr. Speaker, the member for St. John's East, the President of the Council (Mr. Marshall) points out that with the capital value system we are going to get a whole slew of new housing developed in St. John's for rent. Mr. Speaker, that is pure speculation because although the vacancy rate is low at the present time - it is not zero, by the way, that is not correct. It is not zero, it is 1 per cent. That is closer to the truth. Except it sounds good for the government to say, 'The vacancy rate is zero per cent, therefore we have to do everything that we can to stimulate construction of apartment houses in the city.' But it is pure speculation whether or not the change from the rental value system to the capital value system is going to mean the construction of more apartment houses.

Mr. Speaker, let us not have the government trying to fool the people of the city of St. John's. There are very few members on the government side of this House - all of whom are Tory. I doubt very much whether my friend from St. John's Centre (Dr. McNicholas) will campaign in the next election and have the nerve to tell the homeowners in his district that he voted for a piece of legislation that raised their taxes, not 50 per cent, it is going to raise it more like 75 per cent. The ordinary homeowner in the city of St. John's now paying \$400 a year annually is going to be hit between 1982 and 1987 with a tax bill of \$1,200 to \$1,500.

AN HON. MEMBER: (Inaudible).

MR. THOMS: What is that?

AN HON. MEMBER: (Inaudible).

MR. THOMS: I do not know, but this is what - I mean, the homeowner in St. John's, who pays about \$400 a year now, that same homeowner in Halifax or some other large city would pay somewhere between \$1,200 and \$1,500. But as I said before, I think this is a more equitable system and that part of it I can support.

Mr. Speaker, these are basic - not the real reasons why I wanted to speak in this debate.

There was a time when it was said that a man's home is his castle. It was a sacred right to have a roof over his head. It is not good enough to argue that because a mortgage company has a right to sell a person's home for non-payment of mortgage payments, it is not enough to say that a financial institution has a right to sell a person's home for non-payment of a debt. It is not enough to say that. I do not believe that any government, whether it is municipal, provincial, should have the right to sell a person's home for non-payment of property taxes.

SOME HON. MEMBERS: Hear, hear!

MR. THOMS: There are plenty of remedies available to the City of St. John's at the present time. And under this new act there are plenty of remedies available. But I believe, as does my friend from LaPoile (Mr. Neary) that no government - I

MR. THOMS: realize that it is the last resort that the City of St. John's is going to sell a person's home because of non-payment of taxes. I know it is the last resort but it is also the last resort of a mortgage company or it is also the last resort of some financial collection agency; it is the last resort. But in this case they should not have that last resort. The city is going to get their money, Mr. Speaker. Ask any lawyer in St. John's. The best collection agency that the City of St. John's has is the Law Society of this town. Every time we act on the sale of a house we have to make sure that all taxes are paid and we collect the taxes for the City of St. John's and we turn them over to the City of St. John's. We do not get any thirty per cent for collecting them. They probably should pay us for collecting them but we do not. But it should be a basic principle, Mr. Speaker, of any government, a basic principle, that they will not take a person's home and sell that home and put the family on welfare or put them on the street, they should not have that right because you find that sometimes there will be very little sympathy. The President of the Council spoke of the compassion of assessors, but sometimes government officials have very little compassion, very little compassion, any more, Mr. Speaker, any more than the authorities should have the right to turn off a person's water supply or heat. There are too many hardships involved in these things. And in any event, Mr. Speaker, it is used so rarely that there is no real benefit from having it here. You can lien a person's property, you can sue him, you can obtain judgement, you can attach his wages, so there are any number of remedies that are presently available. I am happy to see that - I understand from the Minister of Municipal Affairs (Mrs Newhook) that there will be an amendment to

MR. THOMS: Section 101 because that particular section was - the way it reads it creates a debt on a person who normally would not have a debt. It automatically creates a debt. If there are taxes owing of \$1,000 then what this particular section did was make a person who did not contract a debt pay the debt. But I understand from the minister, and it is confirmed by the President of the Council, this particular section will be amended.

Mr. Speaker, there is another section in the Act which I would like the minister to give some thought to and as so frequently happens a person's property is assessed or invalidly assessed or incorrectly assessed and the owner of that property has to pay to the city the taxes based on the assessment but then subsequently that that assessment is appealed, either through the Court of Revision or through the - I believe under the Act there is an appeal to the District Court and if the Act provides then that the money so paid in will be repaid out of the general revenues of the city. But in the meantime, Mr. Speaker, the city has the



MR. L. THOMS: use of that person's money. The person is losing interest on the money that he has wrongfully had to pay to the city and the city has use of his money.

Mr. Speaker, I would like the minister to look at that and maybe agree to having the city pay an interest on money that has been so collected. That way that could be a check to make sure that you do not have incorrect and invalid assessments on property. They may not be so anxious to do an incorrect assessment on the property if the city had to pay an interest on the taxes so paid.

And, Mr. Speaker, if you look at it from a collective point of view, I mean at any given time you could have any numbers of thousands of dollars collected by the city, used by the city wrongly without having to pay for that money. And in the meantime, of course, it is costing the taxpayer 16 or 17 per cent on that money.

But, Mr. Speaker, the real purpose of why I wanted to speak in the debate is to ask the government, for the minister to discuss it with her Cabinet and to see if we cannot take this alternate remedy away from city councils, community councils, whoever has it right across this Island, because, as I have said, no man or woman should lose the roof over their head because for some reason or other they cannot afford to pay the property tax assessed. I think that is a reform. A man's home should be his castle, a man should be able to retain it. I do not like the present attitude of the city of St. John's along those lines.

SOME HON. MEMBERS: Oh, oh!

MS. VERGE: Only half his castle.

MR. L. THOMS:

It is only half his castle.

Do not you worry.

MR. S. NEARY:

That is the man-hater talking now.

MR. L. THOMS:

The Minister of Education

(Ms. Verge) is a lawyer. You should try going down to Family Court. I was down in Family Court last week and there are about twenty lawyers in Family Court all getting fat on the minister's Matrimonial Act.

SOME HON.MEMBERS:

Oh, oh!

MR. TULK:

A haven for lawyers.

MR. L. THOMS:

A haven! They have never had it so good. They have never had it so good!

Mr. Speaker, I do not think there has been too many from Grand Bank who had much to do with the Matrimonial Act up to the present time. But in St. John's, the lawyers are having a field day and it will be a long time before the courts have come down with too many definitive decisions so that you can advise a client without having first going through the legal procedure.

But, Mr. Speaker, as I have said before no family should lose their home because of property taxes. The city has plenty of remedies - the Town of Grand Bank has plenty of remedies, the City of Corner Brook has plenty of remedies. There is no need and it is unfair, it is discompassionate to give this authority to municipal governments. And I

MR. THOMS:

would like to see the minister discuss it with her caucus, discuss it with her Cabinet and see if, maybe not at this time, but at some future date we could give some serious consideration to taking this remedy away from the government. Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Butt): If the hon. the minister speaks now, she closes the debate on the bill.

MR. WARREN: Mr. Speaker.

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

MR. WARREN: Yes, Mr. Speaker, I would gladly grant leave if some member from the twelve St. John's seats wants to speak.

Well, Mr. Speaker, every time this government like to perform an action, a deed that is either bit controversial at all, they come up with the idea of bringing in a bill like this at the same appropriate time that they are planning to recess. So I find, as a representative of this hon. House, I do not take it lightly the House closing by ramming bills of such a nature as this down in the people's throats.

Mr. Speaker, I was driving in the other morning and I was listening to the news on, I think it was radio station VOCM. I think they were interviewing the Mayor of St. John's at the time, and the mayor was saying to the effect we are a little bit concerned that the government has not brought in this act respecting the assessment of real property and the imposition and collection of certain taxes in the city of St. John's. Now, she said she

MR. WARREN: was concerned because they were getting prepared to do up their budget for the New Year and they cannot do their budget because this act has not been proclaimed by the government. So what the mayor of St. John's is saying is that, Look, we are in Limbo unless this act is proclaimed and it has to be proclaimed before the end of this calendar year.

Now, Mr. Speaker, if this government is taking their directions from the mayor and councillors of a particular city, who are out taking their cues probably from the people who elected them, I want to have no part in voting for a bill of such magnitude as this.

Mr. Speaker, this House has twelve Progressive Conservative members representing the city of St. John's, eleven or twelve. Now, surely goodness they are not going to vote to see two cents a gallon added to the fuel tax, to see the taxes in St. John's rising and continuing to rise probably as high as any other city in the Dominion if we just pass this act, because then you are not tying any restrictions to the city at all because next year and the next year after they will just continue to increase it. And I think to see this government taking this act, here it is on the fifteenth day of December and all fellows on both sides of the House are as anxious to get out, everyone is anxious to get out, but the government decides well, look, now here is a great chance to get this act through. The Liberals are not going to speak too much against it because it is getting too close to Christmas -

MR. NEARY: They are paying too much attention to Santa Claus.

MR. WARREN: Right and meanwhile - and also the

MR. WARREN: thing that was pointed to the twelve members for St. John's, the thing that was pointed to the twelve members from St. John's-and one member spoke so far, the hon. Minister of the Privy Council (W. Marshall), and said look, do not anyone here speak against it and after a while the Liberals will all get unwound and it will be all over with.

Mr. Speaker, I will tell you this much -

AN HON. MEMBER: Unraveled.

MR. WARREN: Unraveled? Unwound is just as good to me. You are unraveled all the time, Mr. Minister.

Mr. Speaker, I will tell you this much that we in this House probably are looking forward to Christmas with our families, but the families in St. John's are looking more forward to the defeat of this bill in this House, that is what the people in St. John's are looking forward to. The 17,000 people are seeing that this bill is defeated because all it is is that the city of St. John's is expecting this government to pass this bill with very little opposition.

Mr. Speaker, this bill!

MR. WARREN: Just imagine how much a year it is costing one taxpayer by paying a measly two cents a gallon on fuel oil - especially living in one of the older homes in this city - how much it will be costing those people by paying two cents a gallon extra where there is very little insulation in the homes, the windows are draughty and everything else. So I think this government should take it into very serious consideration. Now, are you going to protect the consumer or are you going to protect the multi-nationals?

The people of the city today are probably thinking about Christmas and they are not thinking about being old Scrooges. They are not thinking, 'How much more can this government suck out of us?'

AN HON. MEMBER: It made the Minister of Municipal Affairs (Mrs. Newhook) the tax biter.

MR. WARREN: Mr. Speaker, I know it must be very, very embarrassing for the hon. the Minister of Municipal Affairs to come in and make such comments as, 'Well, this bill is not very important for you people, you represent districts outside of St. John's.' One hon. minister said to me, 'You fellows will not have anything to say about this bill.' No, the hon. lady did not, but some other minister said, 'This bill will not mean that much to you fellows, you represent districts outside of St. John's.'

Now, Mr. Speaker, we do consider this bill important, and the taxpayers of St. John's consider it important. And I would venture to say that once the word gets out that the present slate of councillors and the Mayor in St. John's are trying to get this government to pass this legislation, I would venture to say that when a municipal election is called next November, very few of them will be returned.

MR. WARREN: What I find so astonishing - the hon. the member for Carbonear (Mr. Moores) brought it up - is that we are not going to impose it before 1982.

MR. FLIGHT: After the election.

MR. WARREN: Yes. The municipal election is in November, 1981 -

MR. FLIGHT: It takes five years to phase it in.

MR. WARREN: Right! And then impose it on January 1, 1982, you know, just a month afterwards. So do not worry, the taxpayers of St. John's, those who are paying hundreds and hundreds of dollars a month to the multi-millionaires of the city, those are the people who will tell the councillors and Mayor Wyatt and Deputy Mayor O'Neill, 'Look, boys, you fellows before last Christmas brought in an act that really affected us.' So in November - I think it is the second Monday in November the election is called - they are going to tell those councillors, 'Okay, boys, this is your due, just reward for what you tried to do with us.' And I would say they will turf out eight or ten, or seven or eight of those councillors. And then when the Premier has the intestinal fortitude to call a general election, then the people of St. John's will also give eight or ten, or seven or eight of Tory St. John's -

AN HON. MEMBER: Ten.

MR. WARREN: Ten? - will give ten of them a lesson by saying, 'Look, you supported the city council in bringing in this bill and therefore, we will have to give you fellows your just reward too.'

You know, the people of this Province, the people of St. John's and so on are not going to take anything else for granted.

MR. WARREN: You know, they are beginning to be better educated and they are beginning to understand how this government is trying to ram everything down people's throats.

Mr. Speaker, there is something else that is going on in this city. It may not be exactly tied in with this bill. I heard on the radio the other morning that those people who are living in downtown St. John's, who own their own homes or are living in apartments down there and so on, that the city council is also going to compel them to pay \$60 a year to park their own vehicles in front of their own homes. Mr. Speaker, I do not have to pay \$60 a year to park my vehicle in front of my own home, I am sure the Premier does not and I am sure the President of the Privy Council (Mr. Marshall) does not. But those people downtown will have to pay \$60 a year to park their vehicles in front of their own homes. So we can see, Mr. Speaker, that council and government alike, are trying to just run over the people - to heck with the ordinary human being who is trying to live day by day.

Mr. Speaker, I want to object to this bill because it is bringing in an unfair tax burden, especially to the lower income people of the city. It is fine for some of us to say, 'Well, what in the heck is two cents per gallon on fuel oil?' You know, most municipalities throughout this Province now are charging a cent and a half, a cent and three-quarters or two cents on a gallon of fuel oil, but all of a sudden, bang, it is going to be struck on the people of St. John's. So, Mr. Speaker, I believe that this government should seriously do what the Minister of Municipal Affairs (Mrs. Newhook) did not really do - read the bill, really read the bill and



MR. WARREN: study it, because I am sure that in all honesty and in all fairness to the minister, she did not do her homework on this bill. And I would venture to say, Mr. Speaker, that if the Madam Minister had her time back again she would have persuaded the Cabinet, persuaded this government to say, 'Look, hold this bill off until we make corrections, until we can consolidate what is in this bill and make it satisfactory to the people of St. John's.' And now, the minister, I am sure, is going through a hard time in trying to convince her own conscience.

AN HON. MEMBER: They have made her the tax collector.

MR. WARREN: So actually what has happened is that the minister now is a tax collector for the City of St. John's and I am sure she does not want to be put in that limelight.

AN HON. MEMBER: A nice lady made a tax collector.

MR. WARREN: Mr. Speaker, this bill is too serious to be passed at such an opportune

MR. G. WARREN: time for this government. This bill, I would strongly suggest, should be left over until a new sitting in the New Year when we can debate it at much greater length and some corrections can be made. I think the President of the Privy Council already said that there was going to be a clause removed or amended. That is only just one clause and that came today from the hon. member from LaPoile (Mr. Neary) who spoke and spoke loud and clear to the minister.

MR. MARSHALL: What happened to your other leader?

MR. G. WARREN: Our other leader. Oh, so you are finally taking some suggestions from over here. That is more than we can say for the Minister of Mines and Energy (Mr. Barry). So, Mr. Speaker, it is good that at least some hon. members from Cabinet are realizing- If the Premier has something to say he can say it loud.

AN HON. MEMBER: He is afraid.

MR. G. WARREN: He is afraid, is he? Mr. Speaker, I am glad to notice that at least one member from Cabinet, the President of the Privy Council (Mr. Marshall) has taken some advice from this side on this bill. And the hon. member from LaPoile has also given some advice and I will give you some other advice, drop this bill now. The Hon. Minister of Municipal Affairs (Mrs. Newhook) should get up and say, 'Mr. Speaker, I wish to drop this bill until a new sitting in the New Year when I will have a chance to read it, when the Cabinet will have a chance to read it and we will know then for sure that it is not being rammed down the throats of the people in St. John's.' Mr. Speaker, I think I have made my two or three points and taking that in line I am going to vote against this bill, because I do not think any people living within the limits of this City, any people who have any respect at all for the government of the day should see this government trying to bring this bill in

MR. G. WARREN: at such an inopportune time.  
So, Mr. Speaker, with that I close my remarks and say that I will not be voting for the bill as it now stands.

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

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: What is wrong with the St. John's Tory members over there? Are they all tongue-tied?

MR. E. HISCOCK: Mr. Speaker, I believe that this Bill, "An Act Respecting The Assessment Of Real Property And The Imposition And Collection Of Certain Taxes In The City Of St. John's", is a very important bill. It is a bill that is changing the full tax system or the collection of taxes in our city and it is affecting the majority of the population of this Province. I also fell by passing it through at a very quick and expedient time of probably trying to get home for Christmas and to get other matters of this House finished, that the easiest to do would be to pass it through. But we would be remiss in our duties and we would not be carrying out our responsibilities as elected members of this Province if we allowed that to happen. So, Mr. Speaker, it is in this regard that I rise and speak on this bill because there are some things in this bill that I am rather concerned with and the ramifications it has and some of the other ramifications it will have probably on other legislation that will be brought in this Province and other ways that bills are going to be passed. The main concern of mine in this bill is that it is changing the burden of taxation now away from the landlords onto the home owners of St. John's. One would go as far as to say this should have been done a long while ago and why has it not been done? Why was it that the councils never recommended this before? And why was it that the government of the day, whether they

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MR. E. HISCOCK:                   be Liberal or Conservative,  
why was it that it was not that type of taxation?  
So, Mr. Speaker, by having this bill changed

MR. HISCOCK:

now we find ourselves in a situation that because St. John's never had a fair tax base and was afraid to tax the individual owners, what has ended up happening is that they end up putting an extra 2 per cent on gasoline in this Province, the fuel oil and pass it on to the people of low income - because the people in high income for the most cases have electrical heat - pass it on to the people of low income and as a result raise sufficient money or a fair amount of revenue through this form of taxation that they could not have by taxing the home-owners of the city.

So, Mr. Speaker, one question I have to ask, this 2 per cent that was given to the city council of St. John's, the right to have this 2 per cent tax, now that we are having a redistribution of taxes spread from the landlord of the large rental buildings to the individual householder, will this 2 per cent be dropped? Will this 2 per cent on fuel oil be dropped?

MR. NEARY: That is included in the new bill.

MR. HISCOCK: And I would say, Mr. Speaker, it is not going to be dropped. I also say, Mr. Speaker, that when this bill was being lobbied for the past twenty years under the Liberal Government and the past eight years under Conservative Government to try to get this bill changed it was done from the point of view of the large landowners -

MR. NEARY: Right on!

MR. HISCOCK: - the ones with the large apartment buildings and the ones who are building the large ones in the future.

MR. NEARY: Right on!

MR. HISCOCK: These are high-rises -

MR. NEARY: The moneybags.

MR. HISCOCK: - or rental units will be built in the city and they will be built only from the point of view that we need more rental units. And whether this bill was brought in or not it would not change anything in that respect because the price of rental units is going up higher and higher. So much so that they are going to have ramifications on our students. And instead of students now sharing three or four in an apartment, they find now that they have to take less than adequate accommodations and two or three people in one room. They are also finding that the University residence itself for the first year, I believe, in about five or six years they have accommodations for over 900 students and normally only half of them and in the past three or four years only 40 per cent have reapplied to go back into residence. This year it was almost 80 per cent of the people reapplied to go back. And why was this? It was done from the point of view of the high cost of apartments, that now the apartments are going out of the range of the students. Also they are going out of the range of the people on fixed incomes. And so, Mr. Speaker, we need more rental units. And by bringing in this bill - it is a very good bill in many ways and I feel it should have been done before, but I do not particularly like the way it is being done.

Why is it taking it five years to phase in this bill? Number two, why is it being postponed a year when we are having a civil election next year? And another question I would like to know the answer to is that with this increase now being passed on to the landlords, some of them will save up to \$1 million a year -

MR. NEARY: One landlord alone?

MR. HISCOCK: One landlord alone but some of them even closer to that, \$1 million a year. Quebec

MR. HISCOCK: brought in a bill similiar to this and it was the obligation that they had to pass on the rental unit to the tenant -

MR. NEARY: The savings.

MR. HISCOCK: The savings. The landlord had to pass it on. Do we have any provisions here?

MR. NEARY: No.

MR. HISCOCK: No, we do not. We are told that if the person, the tenant, is renting and wants it, go to the rental board and the rental board will look at it and end up giving you the refund. I would say, Mr. Speaker, to this House that we are doing an injustice to the tenants of this city and the people who are renting that if the landlords are going to save this money that it should also be passed on to the tenants. And if they are not passing it on to the tenants, then of course we should not have this law being brought in. And I myself want to have no part of it.

Another part I am concerned with in this bill itself is, as I said, bringing in and allowing them to have five years to phase in.

MR. HISCOCK: The hon. member from Carbonear (Mr. Moores), when introducing the bill from this side of our point of view on it and commenting upon the bill, he said, "When the Premier of this Province now was the former Minister of Municipal Affairs he did not tell the small municipalities throughout this Province that they had two years or six months or three months or two weeks to phase in the tax of \$144 in the municipalities. They were told that they had to do it now or they would not get their grant."

MR. MOORES: Right.

MR. HISCOCK: This was throughout all of the Province other than the City of St. John's. Now we see preferential treatment given to St. John's to say, no, you can phase it in over a period of five years, and not only phase it in over a period of five years but not even have it done in an election year, which is next year, 1981.

MR. MOORES: Throw it to the people.

MR. HISCOCK: The council itself is being brought down - the new budget -

MR. NEARY: Have a referendum.

MR. HISCOCK: - and in this budget of the City, everybody is a claimant. It says no increase in taxes. The only increase in taxes going up is in the water tax from \$37.00 up to \$40.00 -

AN HON. MEMBER: That is doubled.

MR. HISCOCK: - only an increase of \$3.00, not even \$3.00, but what they forget is that council knows in itself in reality that by the second year or the third year or the fourth year that this comes in, that the taxes will be doubled. And the question I have to ask is that people who are on low income, and the students who want to rent, will these rentals be dropped or will we see them continually go out of range? Particularly now that the price of energy is going to go up. We have heard from the Minister of Energy



MR. HISCOCK: (Mr. Barry) saying, reinstating what the Chairman of the Newfoundland and Labrador Hydro said, "Electricity rates will double in the next four years". So, take the rental units still going up, the electricity is still going up and take other prices of food going up and we are going to find that St. John's, with all the speculation of the boom, with all the speculation of having high rises and having office complexes and having other government buildings here in the City and multi-nationals coming in and setting up head offices, all this is going to be good for those who can afford it and those who have the money, but St. John's, I will go as far as to say, in the next four or five or six or seven years - how long it will take - we will see the core City of St. John's returning to Liberal and we will see it -

MR. NEARY: Right on!

SOME HON. MEMBERS: Hear, hear!

MR. HISCOCK: - we will see it from the point of view, and I will say this now because if you take the cities of the world, whether the larger ones or the smaller ones, when there are low incomes, when there are people there in hard condition, they will not turn to the ones who put the taxes on them. They will turn to the ones who have always championed their cause, and in this case it is the Liberal Party of the Province of Newfoundland and Labrador.

SOME HON. MEMBERS: Right on!

MR. HISCOCK: So, Mr. Speaker, it is quite easy for us to say as members from Eagle River or from Carbonear or from Lapoile and for other areas of this Province, and say, no, we do not represent -

MR. NEARY: Where are the St. John's members?

MR. HISCOCK: - we do not represent St. John's so, therefore, we should not comment upon this bill, but what we also forget to realize is that any bill that passes through

MR. HISCOCK: this House of Assembly, that each member has the right and the duty to scrutinize these bills and make comments upon them. If we do not do that, as I said, Mr. Speaker, we are remiss in our duty, and I would go as far as to say that the ten members from St. John's, basically, expected this to go through very, very smoothly and have no comments on it, but, Mr. Speaker -

MR. NEARY: He is using the Minister of Municipal Affairs.

MR. HISCOCK: Mr. Speaker, I think it is a sad day that if we are going to give back this tax grant to the large landowners of the buildings and not pass it on to the tenants, then I think it is a sad day for the residents of St. John's who are renting. Also, Mr. Speaker, this 2 per cent on the gasoline and fuel oil tax is not being cut off to help the people on fixed incomes. I was amazed at what the Minister of Social Services (Mr. Hickey) said today when I asked him about extra oil grant down in Labrador. He said, "We cannot do that, that is basically discriminating against other areas of this Province". The people of this Province and a majority of the people of this Province, I would go so far as to say, look upon my district and say there is a great amount of welfare in my district. If you go and check the people in my district, I would go as far as to say that there might be thirty or forty people on long-term assistance for the full district but the press and the

MR. E. HISCOCK: media of this Province would be amazed and actually shocked at the number of people who are in St. John's receiving social assistance and are also on fixed incomes. There is more in proportion than I would say than any other areas of this Province.

And, Mr. Speaker, it is in the spirit of Liberalism that we stand up and rise to this opportunity to speak on their behalf.

SOME HON. MEMBERS: Hear, hear!

MR. E. HISCOCK: Because, obviously, it is not the intent of the members themselves representing St. John's. They know that this is a difficult issue, they know that the council needs extra money for various things. I would go as far to ask another question: With this extra approximately \$6 million a year that council will now get in tax, can I, as a member of this House of Assembly from a rural area of Newfoundland, expect that the provincial government pay less towards the operation of the fire department, pay less towards operation of the Royal Newfoundland Constabulary, pay less towards the running of various other grants here in this city? Can we expect that? Can we expect some of this \$6 million to be passed on to us? I doubt that, Mr. Speaker.

So, Mr. Speaker, I hope, as we have seen from time to time in this House, that the government itself will look at this bill and not say it is a political gesture, not say that we are blind to -

MR. S. NEARY: That you have to rubber stamp it.

MR. E. HISCOCK: - that you have to rubber stamp it, as the member for LaPoile (Mr. Neary) just said, but take it and say, 'No, We, the government of this Province, want to be fair to the residents of St. John's, particularly those on fixed incomes'. The

MR. E. HISCOCK: Premier's heart should really go out to these people, being a former social worker. He should relate to them. But instead he is basically letting the Conservative members of St. John's bring in a piece of legislation and say, 'Look, this is our core group of power and we are going to stick by them and do what they want and do what council wants.

MR. NEARY: They are not allowed to speak over there.

MR. HISCOCK: And so, Mr. Speaker I am amazed from the point of view that we do not hear the members for St. John's East Extern (Mr. Hickey), we do not hear from St. John's North (Mr. Carter), St. John's Centre (Dr. McNicholas), Pleasantville (Mr. Dinn), Mount Scio (Mr. Barry) and other districts of this great city of ours.

And, Mr. Speaker, I hope that when I sit down, instead of having the Minister of Municipal Affairs (Mrs. Newhook) getting up and probably closing this bill, that we will hear from people from the government. Because I will go as far as to say this, that I hope it will take a while, it may take two weeks, three weeks or four weeks or even four months for this to filter down. And when the individual homeowners starting getting their bills they will not be long getting on the Open Line programmes and talking about this bill and talking about the problems they will incur.

MR. NEARY: The election will be over before they find out.

MR. HISCOCK: As the member for Grand Park (Mr. Thoms) said, and other members in this House, 'Surely we are not going to arrive at a situation where because you cannot pay taxes in this city of ours that your home will be taken and sold and the arrears paid off.' Surely, you are not going to see individual homeowners who have larger houses because of their past families, see that they have to sell these houses and buy a smaller one or go into rental units because the government itself is taxing.

MR. E. HISCOCK: The government is giving the city the ability to double taxation. Surely, we are not going to see older citizens of this city of ours having to give up their individual homes and have to go into senior citizens' homes and thereby putting more burden on the provincial treasury. Surely, Mr. Speaker, we are not going to be seeing this and surely the government is not in favour of all this.

And I would say again, Mr. Speaker, if this government would only drop the 2 per cent on the oil tax to the residents of this city now that they are having an equilization of taxes and order - and I say order the large land owners of these apartment -

AN HON. MEMBER: Landlords.

MR. E. HISCOCK: - landlords, if they will order them to pass this saving on to the tenant then I am sure, Mr. Speaker, members on this side of the House will have no trouble in basically supporting this bill.

So I believe, Mr. Speaker, this is a major introduction of a bill and I do not feel the media has done its job to expose the content of this bill to the residents of St. John's.

MR. HISCOCK:

I also feel that the majority of the people of St. John's are unaware of this and by bringing in a major bill solely in this term and to hopefully expect it to be shoved through before Christmas figuring that the Opposition would be impatient and would want to go. The Opposition are the ones who cannot afford to go down South for Christmas and the New Year -

MR. NEARY: Right on!

MR. HISCOCK: - sothe Opposition are quite prepared to stay here until Christmas or until New Year.

MR. NEARY: Right on!

MR. HISCOCK: So I would say, Mr. Speaker, that these two things that I have mentioned, hopefully the government will see fit to change these regulations.

Mr. Speaker, I take great pride in speaking on this bill, and as I said, when I am in this House and when we have an election in six or seven or eight years time, whoever will be Premier at that time, I look forward to going down to St. John's Centre and St. John's East and St. John's North and campaigning on behalf of the Liberals and bringing the Liberals back into this House for St. John's Centre.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): If the hon. the Minister of Municipal Affairs speaks she will close the debate.

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

MRS. NEWHOOK: Mr. Speaker, I have listened very carefully to the remarks made by hon. members on both sides of the House respecting the passage of this bill and while some important considerations have been raised and there has been some constructive criticism, I have heard nothing

MRS. NEWHOOK: which would, in my view, contest the principle and the necessity of the proposed legislation.

It has been generally agreed that the City of St. John's should convert to the capital value system of taxation. I note the suggestion of the hon. the Leader of the Opposition, if it was intended as a suggestion, that the municipal income tax is a possible alternative to capital value. Such a suggestion is unacceptable to this government and was unacceptable in 1972 when recommended by the Royal Commission on Taxation and Revenue for the City of St. John's. The recommendation of the Fraser Commission was rejected by both the report of the Royal Commission on Municipal Government submitted in 1974 and the report of the Commission of Inquiry into the St. John's Urban Region study submitted in 1976.

On the subject of municipal income tax, the Whelan Commission made this comment, and I quote: "This Commission does not recommend the use of a municipal income tax in Newfoundland. It believes that the interest of public policy

MRS. NEWHOOK: is best served if this already heavily exploited tax source is retained for the exclusive use of the senior levels of government." In the first place federal and provincial authorities, in our opinion, should be accorded maximum tax room with respect to personal and corporate income tax taxation in order more effectively to pursue their primary economic stabilization and income redistribution functions. Secondly, that Newfoundland's economic and income base are decidedly limited by Canadian standards. The potential yields of income tax in the Province for this reason are comparatively low yet are frequently overestimated. I must admit that at one time I shared the view of the hon. Leader of the Opposition (Mr. Stirling). I, too, thought that income tax would be the more equitable way for Newfoundland. But since that time I have looked at the logistics of it and I find now that it would be really very, very premature for Newfoundland.

Mr. Speaker, there have been a number of criticisms of this bill. Principally, that it is alleged to provide windfall profits for the landlords with large holdings through tax reductions which will not be passed on to the tenant. It has been proposed by certain members on the opposite side of the House that the benefit of any such reductions be transferred to the residential tenant by mandatory legislation. Now I consider this to be a hastily conceived and ill-advised proposal made without regard to its possible implications.

MR. NEARY: You cannot even read what is written down there.

MRS. NEWHOOK: It must be recognized, Mr. Speaker, that the government has a responsibility in this matter to all of the citizens of St. John's and not just to tenants of real property. Although, as I will mention later, we have not ignored the tenant's rights. However, to single



MRS. NEWHOOK: out landlords as a special target for legislation which would bind them to transfer direct tax decreases to the residential tenant could be considered as discriminatory in nature and an unjustifiable interference with our free enterprise system. One could well argue that we should legislate the transfer of the benefits of all tax decreases not only to the residential tenant, Mr. Speaker, but to all persons in the city who may be foreseen to derive an advantage from municipal tax changes.

MRS. NEWHOOK: I am sure all hon. members would agree that to apply this concept universally could create both a legislative maze and an administrative nightmare. Nevertheless, Mr. Speaker, if all citizens of the city were to receive equal treatment, then we might need to consider this.

Mr. Speaker, for the protection of landlord and tenant, we do have a Landlord and Tenant Act and a Residential Tenancies Board which has the power to review the rents charged for residential premises and to determine that these rates be approved or varied. Some of the hon. members of the Opposition have suggested that passage of the bill would create a deluge of requests to the board because of wide scale reduction in taxation on rental properties. In the first instance, Mr. Speaker, we cannot say at this point in time to what extent tax reductions will be affected. I think we must remember that the payment of existing taxes by apartment owners will not be cut all at once, the decrease will be phased in over a period of five years, plus, I suppose, there will be the almost annual percentage of tax increase to be added. However, I do think that we should see a stabilization of rents.

Secondly, Mr. Speaker, rulings by the board on appeals would create a precedent to influence landlord and tenant to work together on acceptable rental agreements to reduce the number of such appeals. However, I would wish to emphasize again, Mr. Speaker, that the Residential Tenancies Board is the proper legal mechanism for the handling of complaints by landlord and tenant.

Now, during this debate, we have heard disparaging remarks on the phasing in of the capital value system of taxation and I wish to make this clarification: The city council is not changing to this system of taxation

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MRS. NEWHOOK: to cover new or additional services not provided before. It is not implementing this system as a new tax. The council is merely adjusting existing taxation and correcting existing disparities.

MRS. NEWHOOK: And the most feasible way to do this, of course, is to have a transitional period to lessen the effects on the taxpayers and to lessen the effects on the revenues of the city, because city council will need to carefully monitor its expenditures and development during this period.

Another concern expressed during debate is that city council under Bill No. 84 can seize and sell property to re-cover tax arrears. Now I wish to point out that this provision has been contained in the City Act for many, many years - twenty years, I believe - and I have heard no complaints from the Opposition on this before. Actually it is the last recourse left to council and such action is only taken after serious deliberation when all other methods for collection of taxes have failed. I do not see the council myself callously causing distress and hardship by resorting to such a measure. There is a mechanism to appeal to council for those in need of special consideration.

In any event, I would like to say to the hon. members of this House that Clause 107 is a clause which will be reviewed under the new City Act.

Mr. Speaker, both cities in our Province still retain the fuel tax. To the city revenues in St. John's it adds some thousands of dollars and when removed it means that other taxes will have to be increased to compensate for this loss. I would like to say that it will be reviewed and we expect to have it removed from both new City Acts in 1982 in conformance with the Municipalities Act.

MRS. NEWHOOK: One point raised by one of the hon. members was interest on overpayment. With regard to interest on overpayment of taxation, we can look at this when re-drafting a new City Act. Actually this revision is not contained in the Provincial Municipal Assessment Act. And I think also that when you are talking about all the monies that the city will derive from this new form of taxation, I think you have to remember that the city has to have a balanced budget. It cannot plan taxes to provide more money than is necessary for the operation and the maintenance of the city.

MR. NEARY: (Inaudible) Gander anymore.

SOME HON. MEMBERS: Oh, oh!

MR. W. MARSHALL: A point of order, Mr. Speaker.

MR. SPEAKER (Simms): Order, please!

A point of order, the hon.

President of the Council.

MR. W. MARSHALL: Mr. Speaker, the hon. minister is entitled to be heard in

MR. MARSHALL: silence, and perhaps the member for LaPoile (Mr. Neary) could accord to the minister the courtesy he refused to when she introduced the bill.

MR. NEARY: If she cannot stand the heat let her get out of the kitchen.

AN HON. MEMBER: Stop interrupting.

MR. SPEAKER (SIMMS): Order, please!

There is a legitimate point of order. Every member has the right to be heard in silence and I would remind all hon. members of that particular parliamentary rule and ask them to adhere to it.

The hon. Minister of Municipal Affairs.

MRS. NEWHOOK: Mr. Speaker, as I stated to the hon. House in introducing this bill, it is an interim measure to permit the City of St. John's to convert to the capital value system in 1981. And why it is very, very important to go ahead right now is that the city wishes to start on its industrial and commercial properties in 1981. The City of St. John's Act is now undergoing extensive revision with the intention of submitting for the consideration of this hon. House in 1982 a completely new act which will conform to the main provision of the municipalities legislation. During the drafting process all of the provisions of the present act will be closely examined and clarified, repealed or amended where necessary. With the passage of the new City Act the St. John's Assessment Act will of course be rescinded. Meanwhile, we have agreed to the introduction in Committee for clarification purposes of certain amendments to clause (3), clause (8), clause (101) and clause (120). Therefore, Mr. Speaker, I feel this bill should now pass second reading. I view it to be a very necessary piece of legislation.

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Tape No. 2976

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SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (SIMMS):

Is it the pleasure of the House that the said bill be now read a second time? Those in favour 'Aye', contrary 'Nay'. Motion carried.

SOME HON. MEMBERS:

A division.

MR. SPEAKER:

A division. Order, please!

Call in the members.

MR. SPEAKER (Simms): Is the House ready for the question?

Those in favour of the motion, please rise.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

ASSISTANT CLERK: The hon. the Premier, the hon. the Minister of Mines and Energy (Mr. Barry), the hon. the Minister of Fisheries (Mr. Morgan), the hon. the Minister of Municipal Affairs (Mrs. Newhook), the hon. the Minister of Recreation, Culture and Youth and Environment (Mr. Dawe), the hon. the Minister of Labour and Manpower (Mr. Dinn), the hon. the Minister of Development (Mr. Windsor), the hon. the Minister of Finance (Dr. Collins), the hon. the Minister of Justice (Mr. Ottenheimer), the hon. the President of the Council (Mr. Marshall), the hon. the Minister of Transportation (Mr. Brett), the hon. the Minister of Rural, Agricultural and Northern Development (Mr. Goudie), the hon. the Minister of Education (Ms Verge), Mr. Walsh, Mr. Butt, Mr. Rideout, Mr. Barrett, Mr. Carter r. Twomey, Mr. Doyle, Mr. Patterson, Mr. Aylward, Dr. McNicholas, Mr. Stewart, Mr. Baird.

MR. SPEAKER: Those against the motion, please rise.

SOME HON. MEMBERS: Oh, oh!

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

ASSISTANT CLERK: The hon. the Leader of the Opposition, Mr. Moores, Mr. Flight, Mr. Lush -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

ASSISTANT CLERK: - Mr. Hodder, Mr. Frederick Rowe, Mr. White, Mr. Hollett, Mr. Warren, Mr. Tulk, Mr. Neary, Mr. Hancock, Mr. Hiscock.

SOME HON. MEMBERS: Oh, oh!

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



December 13, 1980

Tape 2977

EC - 2

MR. SPEAKER (Simms):  
against, thirteen.

In favour of the motion, twenty-five;

I declare the motion carried.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (SIMMS):

Order, please!

On motion, 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," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 84).

Motion, second reading of a bill, "An Act To Amend The Municipalities Act". (Bill No. 88).

MR. SPEAKER:

The hon. Minister of Municipal Affairs.

SOME HON. MEMBERS:

Hear, hear!

MRS. NEWHOOK:

Bill No. 88 contains four amendments, Mr. Speaker, to the Municipalities Act. These amendments come as the result of input received from my department through various regional seminars conducted in the Province during the past six months and from resolutions passed at the annual convention of the Labrador Federation of Municipalities. It has become evident that these essential amendments to this act should be presented for the approval at this current session of the Legislature so that they can be effected before the commencement of the municipalities next fiscal year commencing January 1, 1981. These necessary amendments relate to the taxing provisions of the act particularly water and sewer and the municipal poll tax.

Clause (1), Mr. Speaker, is an amendment to allow municipalities to borrow up to 20 per cent of their revenue from taxes, from federal and provincial grants and other assured revenues other than subsidies on water and sewer, whereas the present legislation limits borrowing to 20 per cent of their local tax yield which is really too restrictive. And Clauses (2) and (3), to explain these more fully, Mr. Speaker, when drafting of the

MRS. NEWHCOOK: Municipalities Act was completed a late amendment was inserted in that act to provide for the proportionate payment of a poll tax by joint owners which would recognize the provisions of the Matrimonial Property Act. Under that amendment it was intended that each spouse would bear a proportionate share of both the poll tax and the real property tax. However, the wording of the clause in question does not reflect this intent clearly and because certain ambiguities would create grave difficulties in administration, therefore this bill contains an amendment which provides that where there are two or more owners of real property the council may designate one of the owners to be responsible for the real property tax. Where the property is owned by husband and wife the spouse designated to pay the property tax is exempt from the poll tax. And where one spouse makes a contribution towards the payment of the real property tax by the other spouse both are exempted from one half of the poll tax or in other words both pay the poll tax on a fifty/fifty per cent basis.

MRS. NEWHOOK: Clause(4)-to explain this more fully, Mr. Speaker, the Municipalities Act presently provides that water and sewer taxes shall be fixed as a percentage of the assessed value of real property. A large number of complaints have been received concerning this provision because of apparent difficulties and inequities in application. And strong support from the federation has been received for an amendment which will give municipalities the option of imposing this tax either as a flat rate, a mil rate, a combination of both, or a metered rate. In addition, there has, in recent years, been considerable difficulty in determining an equitable formula for collecting water and sewer taxes from public buildings, including schools and hospitals which, when based solely on assessed value, placed a heavy tax burden on public institutions which tax, of course, has no really direct relationship to consumption.

It is therefore necessary to amend the present Act to provide that water and sewer rates on public buildings valued in excess of \$1 million shall be determined on the basis of metered rate approved by the minister, and in the case of other public buildings, at such prescribed rates in relation to occupancy as the minister may approve.

And, Mr. Speaker, Clause(5) corrects an additional matter which gives concern to municipalities. It is the present provision requiring that the mayor may only vote in the case of a tie. A considerable amount of opposition and resentment was expressed in relation to this clause at the federation's annual convention. And many mayors felt that they were being denied their right to participate as councillors in the normal voting process representing the taxpayers who elected them.

MRS. NEWHOOK: An amendment based on the resolution passed at the federation's last convention is therefore proposed which would restore the normal vote to the mayor or presiding officer at a council meeting. And in the event of a tie the question must be resolved at the next council meeting or the motion would fail. A further provision has been added allowing the matter to be re-introduced after a three month period and with regard to this I am referring to section 424 of the Municipalities Act.

AN HON. MEMBER: This does not give a double vote?

MRS. NEWHOOK: No, no, just one single vote.

Mr. Speaker, I would again impress upon hon. members that these amendments have come to us directly from municipalities or from them through the federation and I would strongly urge that we pass

MRS. NEWHOOK:

this at this session of the House sitting.

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

MR. MOORES: Thank you, Mr. Speaker, very much.

As is the responsibility of any good opposition in any parliament, whether it be provincial or federal, in this country, we oppose something which we think is bad because we should do it, because that is what we are getting paid to do, and we support something which is positive. Mr. Speaker, in the five years that I have been in this House, all of these amendments to the Municipalities Act have been, at one time or another, presented to this House for incorporation in the legislation by the Liberal Opposition. And that says something, Mr. Speaker, for our efforts as an Opposition because we have repeatedly and persistently worked on proposing - not only proposing these amendments in a critical sense, not proposing them in a positive sense because that is the authority of the government and the draftsmen of legislation, but proposing them in a critical sense by debating weaknesses in other pieces of legislation. We have no objection at all to these amendments. At least I do not have any as the official spokesman on Municipal Affairs for the Opposition, and I would like to take this opportunity, Mr. Speaker, in my capacity as the official spokesman on Municipal Affairs to wish the Madam Minister a very Merry Christmas and a Happy New Year. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): Is the House ready for the question?

MR. NEARY: Mr. Speaker, I move the adjournment of the debate.

MR. SPEAKER: The hon. member for Lapoile moves the adjournment of debate.

The hon. President of the Council.

December 15, 1980

Tape No. 2980

GH-2

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

The House at its rising adjourned until tomorrow, Tuesday, at three o'clock.