

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD
3:00 p.m. - 6:00 p.m.
Thursday, June 25, 1981

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Simms): Order, please!

I would like to welcome to the galleries today Mr. William Gilbert, Secretary of Administration, Mr. Timothy Hayward, Assistant to the Governor, and Mr. Richard Saudek, Commissioner of the Public Service, all from the State of Vermont who are here attending the Conference of New England Governors and Eastern Canadian Premiers.

SOME HON. MEMBERS: Hear, hear!

STATEMENTS BY MINISTERS

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

MR. J. DINN: Mr. Speaker, I am pleased to take this opportunity to pay tribute to Dr. Austin Colohan who retires on June 30th. after a lengthy and distinguished career as a public servant in this Province.

Dr. Colohan was born in Belfast, Ireland and graduated from Queens University with a degree in medicine in 1940. Before coming to Newfoundland in 1951 he served in a number of important posts in Ireland and England during which time he specialized in the treatment of tuberculosis. It was this field of medicine which attracted Dr. Colohan to this Province; and in 1951 he was appointed Assistant Superintendent of the newly opened West Coast Sanatorium in Corner Brook. In 1959 he was appointed Superintendent of the St. John's Sanatorium and in 1971 he became Assistant Deputy Minister of the Department of Health.

MR. J. DINN: Dr. Colohan has been involved in the newly developing field of occupational health since 1975 when he undertook special training at the London School of Hygiene in England. Upon his return to Newfoundland he was appointed Director of Occupational Health in the Department of Health and in 1978 became Executive Director of the newly formed Occupational Health and Safety Division in the Department of Labour and Manpower.

In addition to the important positions which Dr. Colohan has held in this Province, he has nonetheless found time to participate in a number of voluntary activities associated with his distinguished career. Dr. Colohan was a Director of the Newfoundland Tuberculosis and Respiratory Disease Association and has been honoured by that association with an Honourary Life Membership. He is also a Past President of the Canadian Tuberculosis and Respiratory Disease Association and a past executive

MR. DINN:

member of the Canadian Thoracic Society. At the time of his retirement Dr. Colohan was a member of the Board of Governors of the Canadian Centre for Occupational Health and Safety and also represents this Province on a number of national committees dealing with occupational health and safety.

This Province owes a great deal to Dr. Colohan for his outstanding contribution to the medical profession over more than a quarter of a century of public service. I am sure all members of this House will join with me in recognizing that contribution and in wishing Dr. Colohan many happy years of retirement.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): The hon. member for Terra Nova has about a minute and a half.

MR. LUSH: Mr. Speaker, we would like to be identified with the remarks made by the Minister of Labour and Manpower regarding the retirement of Dr. Colohan and certainly give recognition and pay tribute to the great accomplishments of this doctor, particularly in the area of research, in the area of research having to do with occupational health in particular, and more specifically in the area of respiratory disease. And, Mr. Speaker, there is no doubt about the great amount of research that this doctor has done in the area of x-rays, in the area of lung diseases, and the great contribution that he has made, particularly in recent times, to the occupational health steps that have been taken by the government. The occupational health measures that have been taken by the government have in no doubt been in large part due to the research and the great contribution made by Dr. Colohan and we certainly want to be identified with these remarks and want to wish him all the best in his retirement and a very successful life of retirement.

MR. NEARY: Let us hope they give him a good pension.

MR. SPEAKER (Simms): Further statements?

ORAL QUESTIONS:

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

MR. STIRLING: Thank you, Mr. Speaker. I think it is appropriate that we have some visitors in the gallery from Vermont, because my first question relates to a point made this morning at the Conference of Governors and Premiers. And it is too bad that the Premier is not here. I understand he is with the governors this afternoon on their cruise on Conception Bay. I wish them well on a glorious afternoon, noting that the Opposition is responsible for the weather.

MR. NEARY: That is the federal. The weather is federal.

MR. STIRLING: Mr. Speaker, probably the most important comment made this morning was the comment made by Governor Snelling of Vermont in which he said that our capacity to work together is our most important asset.

MR. STIRLING: Mr. Speaker, that is something that I hope the government can learn from this question. In view of the comment and the apparent agreement by the Premier, can the President of the Council tell us now what he is going to do to bring about the reopening of negotiations with Quebec on the whole question of the sale of energy to the United States?

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

MR. MARSHALL: Mr. Speaker, I thank the hon. Leader of the Opposition for the question. I do not about the preamble, I will not comment upon the preamble, but I cannot enlarge any more than upon what the hon. the Premier has indicated in the House. The fact of the matter is, Mr. Speaker, that this government has adopted a policy of preparing itself for what is to come in the future rather than reacting to what has happened in the past. As the hon. gentleman knows, even before the announcement which was made in Ottawa on Monday of this week, and indeed one of the main reasons why the announcement was made, was this government- has been in consultation with such concerns as PASNY in the state of New York. And the hon. gentleman can rest assured that this government will not be sleeping, that this government will do everything it possibly can within the interests of the people of this Province to see that our rights as Canadians are used and utilized to the fullest extent possible to the benefit of all Newfoundlanders and to the benefit of our fellow Canadians. And also, Mr. Speaker, I might as well add to it the benefit of our neighbours to the South insofar as that can happen.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: Mr. Speaker.

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

MR. STIRLING: I am glad that the President of the Council learned so quickly from the visit of the governors. Would he tell us now which of the policies he is now following in dealing with Quebec? Up until a moment ago the attitude of the government was that we will not negotiate with anyone and we want the federal government to force Quebec to allow us to use a transportation corridor, plus the right to use the grid system. In view of the comments this morning and the change of attitude that the government now has, are you saying that you have changed your attitude about negotiating with Quebec or are you still insisting that your idea of negotiation is that the federal government must force Quebec to do whatever it is that Newfoundland wants to do? And while you are thinking about that, could you tell us whether or not in view of the new policy you are now prepared to start the development on the Lower Churchill prior to the negotiations of the contract on the Upper Churchill?

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

MR. MARSHALL: Mr. Speaker, it is really too bad, you know, I had hoped to be nice to the Opposition today and particularly to be nice to the Leader of the Opposition but if he keeps asking specious questions like that, Mr. Speaker, I have no alternative but to reply in kind.

MR. STIRLING: To revert to your normal self.

MR. MARSHALL: As to the policy of this government, Mr. Speaker, it is quite clear, it is amply clear how the government reacts to the important matters of state that come before it. The hon. gentleman can rest assured that we will not have the type of relationship in furthering the rights of the people of Newfoundland, the type of lap-dogish relationship that the hon. gentleman there opposite would have us do with Ottawa. So what we will be doing, Mr. Speaker, is insisting that we enjoy our equal rights as Canadians, equal with those of the people of Quebec, the people of Ontario -

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: - and with other Canadians and we will do everything within our power, Mr. Speaker, to see that these are achieved. And we have no doubt after the splendid success that this government has gotten, as witnessed from the announcement from Ottawa on Monday, that we will overcome and we will persevere.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: A supplementary, Mr. Speaker.

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

MR. STIRLING: Thank you, Mr. Speaker.

For the benefit of our visitors, who I do not believe have a Question Period, as such, in their set-up, the government are quite permitted under the rules to give non-answers or not to answer the question or make political speeches, but we have to ask specific questions, and, therefore, I would ask a question. The Premier indicated this morning in the conference that there was a joint study between this government and PASNY of the alternate route of using the Anglo-Saxon route. Is the President of the Council

MR. STIRLING: (Mr. Marshall) prepared to table that report or to comment on whether or not there are ongoing studies dealing with the PASNY report on the alternate Anglo-Saxon route?

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

MR. MARSHALL: The alternate route is a matter of great interest to this Province, a matter of great interest to the PASNY people as well, because it means that there are two separate avenues and more security perhaps, in one way, for the source of supplying.

We have explored the Cabot Strait crossing, which I think is a better definition of it rather than the Anglo-Saxon route, the Cabot Strait crossing from Port aux Basques to Nova Scotia and into the New England States and down the Northeastern portion of the United States. As everyone knows, there have been preliminary studies made with respect to that. I do not think that at this particular time - there are some reports that it is in the public interest to table but I do not think we are ready at this

MR. MARSHALL: particular time to table it. However, I can state that we will take it under advisement as to whether or not we will table it, but I can also state that the government is going to pursue, notwithstanding the alternative that has been presented to us on Monday, that the government is still not shutting its eyes to the possibility of the Cabot Strait crossing.

MR. STIRLING: Final supplementary, Mr. Speaker.

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

MR. STIRLING: In dealing with that report, Mr. Speaker, we seem to be getting a selection of what the government wishes to table. Now what is it that they are afraid will come out if they table all of the information, all of the reports instead of just selected information? Are they afraid to show that really nothing is happening and that all that we are getting is more and more rhetoric, more and more Fed-bashing, more and more anti-Ottawa, anti-Quebec, anti-Nova Scotia? I am asking the President of the Council (Mr. Marshall) whether or not it is true that all of these decisions, and a final decision on Gull Island or Muskrat Falls, will have to be made by December of this year in order for the aluminum proposition to be considered acceptable? Is December '81 a key date?

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

MR. MARSHALL: Mr. Speaker, I do not know what the hon. gentleman means by the aluminum prospect, perhaps he can elaborate on the question, perhaps we can turn the Question Period around so I can give an example of (inaudible) -

MR. STIRLING: Hardly boy. We know more about it than you do.

MR. MARSHALL: -(inaudible) the hon. Leader of the Opposition mean by the aluminum smelter or the aluminum prospect. But, you know, the thing is we

MR. MARSHALL: would hope, Mr. Speaker, and we are proceeding with all dispatch possible, with all governmental and human dispatch possible to bring about the development of this Province both in Labrador and on the Island part of this Province. And I am not going to get the government in a position of being caught with deadlines, what have you. The only thing I can do is give the hon. gentleman an assurance that this government is doing everything it possibly can with respect to the development of hydro power in this Province and it will continue to pursue this. I think it has shown by its actions- I mean, last year, for instance, this government took the bull by the horns and went down to New York and interviewed PASNY, we got a letter of intent from PASNY with respect to it. We know, obviously, that you just do not drop in and ask for a letter of intent and get it like a ticket to a movie or what have you; there had to be studies, there had to be discussions.

MR. STIRLING: Why did you not release it?

MR. MARSHALL: Because it is not necessarily the time, Mr. Speaker. This government will release all information in due course and in due time. There is no government in the history of this Province, which goes back over 400 years, Mr. Speaker, that has been so open as this particular government and you can be quite assured that when the time is ripe any studies that are of interest to the people of this Province will be released.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, no doubt the visitors in the Gallery will see that the Lone Star State, Texas, does not lead the world in buffoonery. We have our share of buffoons in this House as they can see from the answers that we are getting from the other side. And they might also be interested, the visitors might also be interested in knowing that back in 1975, the government of the day, which was a Tory government, the same political stripe as we have now, started the development of the Lower Churchill by setting off an explosion on the Labrador side and an explosion on the Newfoundland side to start the development of the Lower Churchill.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. NEARY: Although there were no markets, they had no markets, no use for the electricity -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. NEARY: - they spent a couple of hundred million dollars -

MR. SPEAKER: Order, please!

The purpose of Question Period is not to provide information, it is to ask questions. I would ask the hon. member for LaPoile (Mr. Neary) -

MR. NEARY: I wish I could talk to the hon. gentlemen to give them some information.

MR. SPEAKER: Perhaps he could chat with them afterwards.

MR. NEARY: I want to ask the hon. gentleman, there is \$200 million invested in these two holes, one on either side of the Strait of Belle Isle, that officially

MR. NEARY: started the commencement of the development of the Lower Churchill. And I get the impression now from the answers given by the hon. gentlemen that they do not know which policy they are following. They said in the beginning back in 1972 there would be no surplus power, no power would leave Newfoundland. Is that still the policy of the Newfoundland Government that the power generated in the Lower Churchill will be brought down through Labrador, some of it dropped off in Labrador for industry in Labrador, the rest of it brought across the Strait of Belle Isle to be used here on the Island of Newfoundland? Is that still the government's policy or have they long since departed from that policy?

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

MR. MARSHALL: Mr. Speaker, we have not departed from any policy or any aim that we have set. The policy of this government is quite clear. First of all, that the power in this Province has to be dedicated and the first claim on it has to be for the people of this Province. And as a matter of fact, with respect to Labrador power, as the member for Naskaupi (J.Goudie) continually reminds us, and the member for Menihek (P.Walsh), that Labrador power is going to be used in Labrador if at all possible.

The second claim on it is for the Island, Mr. Speaker. Then if, with all the bountiful resources we have, we will have some to share with our fellow Canadians and the people south of the border, then they can have it then. But when we do, Mr. Speaker, we will not, I

MR. W. MARSHALL: guarantee you, give out power in the same manner the hon. gentlemen there opposite did for an eighty year contract - or however long it was - a fixed term contract. It will be done, Mr. Speaker, if we are -

SOME HON. MEMBERS: Oh, oh!

MR. W. MARSHALL: - allowed to, if the federal government co-operates with us, as I trust they will, it will be done for a sufficiently short-term contract so that we will be able to re-claim the power as we need it. So in answer to the hon. gentleman there opposite, I will say that our policy remains the same, power for Newfoundland first, and by Newfoundland we mean Newfoundland and Labrador; power for Labrador first, then power for the Island of Newfoundland, then power for the rest of Canada and then we will electrify the world, Mr. Speaker. And this government is in the process of electrifying this Province in many ways and I hope we can share this with the rest of Canada and, indeed, the rest of North America.

SOME HON. MEMBERS: Hear, hear!

MR. S. NEARY: A supplementary, Mr. Speaker.

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

MR. S. NEARY: Mr. Speaker, I am still not able to figure out what policy, what energy, what electrical policy we are following now. Are we going to - is the hon. gentleman now saying there is a surplus of power, contradicting an earlier statement made by his colleague, the Minister of Mines and Energy (Mr. Barry) that there is a surplus? And does the development of the Lower Churchill, does that development hinge on whether or not we can find markets in the United States, down in the New England states or in the Province of Quebec for that power? Does that

MR. S. NEARY: development hinge on us being able to sell the Lower Churchill power at a price to the Quebec Province or to the New England states? Is that what the hon. gentleman is saying now?

MR. SPEAKER (Simms): The hon. member did not direct his question to anybody. Is it the President of the Council (Mr. Marshall)?

MR. S. NEARY: Well, there is only one spokesman in the House, Mr. Speaker, who has the intelligence to answer that question, and sometimes I question that.

MR. SPEAKER: Well, the hon. member did not indicate that. The hon. President of the Council.

MR. W. MARSHALL: Mr. Speaker, I utterly reject that last remark. Really, you have to beware of Greeks bearing gifts. But, Mr. Speaker, you know, what is -

MR. STIRLING: It did not take you long to get back to normal.

MR. W. MARSHALL: Mr. Speaker, I cannot - if the hon. gentleman wants - you know, if the other Leader of the Opposition wishes to answer the other Leader of the Opposition, I will answer the other Leader of the Opposition.

But, Mr. Speaker, the other Leader of the Opposition if he wants to pull the rug out from his co-leader he can do. But, I mean, I have no intention of answering a question. I mean we have visitors here and we are polite in Newfoundland and I think we should exhibit it.

SOME HON. MEMBERS: Oh, oh!

MR. W. MARSHALL: Now, I do not know what the question was, Mr. Speaker. All I know is that we -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please! Order!

MR. W. MARSHALL: I say, I do not really know what the question is. All I know is when the hon. gentleman got up he said, 'I do not understand'. That I can agree with. He does not understand. Then he came - obviously, it all depends now on what block of power he is talking about. If he is talking about

MR. MARSHALL: the mighty Upper Churchill River that the hon. gentleman was party to give away, some - how many megawatts? 5,000.

MR. DOYLE: 5,200

MR. MARSHALL: 5,200 megawatts. We cannot use that immediately, Mr. Speaker, when we get it back, but you watch us after we are in for a fourth or fifth term, then we will have it all used up through industrial development projects. If he is talking about the Lower Churchill, Mr. Speaker, that remains to be seen, Mr. Speaker, as to where the power is going. We hope to be able to use the substantial part of it in Labrador and the Island of Newfoundland. It all remains to be seen, Mr. Speaker. And Christmas is coming, Santa Clause is coming, and I do not want really to destroy all the surprises and anticipations for the hon. the member for LaPoile.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, the hon. gentleman's colleague, the Minister of Development (Mr. Windsor) is presently down hobnobbing with the aluminum people in New York, I believe. And he made a press release from New York saying that the government is on the hitch of bringing an aluminum plant to Newfoundland - to Labrador. Now, would the hon. gentleman tell us, the electricity that they are talking about for that aluminum plant, is it recall power from the Upper Churchill where the present case is going on before the courts, where the

MR. NEARY: government is questioning whether or not they have the right to recall the power under an act of this Legislature, is that the power they are talking about to operate that aluminum plant or is it the power generated at the Lower Churchill or Muskrat Falls that the government is talking about? Would the hon. gentleman identify the power we are talking about?

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

MR. MARSHALL: Well, Mr. Speaker, I have to first of all ask the hon. gentleman to identify the aluminum smelter. I have to say -

MR. NEARY: Yes, well (inaudible).

MR. MARSHALL: Let me finish now. Let me just say, you know, it is not the style of this government to make announcements. We know the agony, for instance, that the people of Bell Island went through one time when there was a contract on the desk that was to be signed.

SOME HON. MEMBERS: Oh, oh!

MR. MARSHALL: We know, Mr. Speaker, of the great disappointment throughout the Province of the fourth, fifth, sixth and seventh announcements of pulp mills and paper mills that never came. We know, Mr. Speaker, the agony of the people of Happy Valley with respect to the woods operation on the defunct Labrador Linerboard. So we do not make announcements like that. Our style, Mr. Speaker, is like ERCO, we announce it after the fact when we have something to talk about.

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

MR. MARSHALL: I can say on that so-called aluminum plant, that as far as this government is concerned, it is working at the present time just in the area of rumour. This government is working on many fronts for industrial development in this Province. There are many places, but there is no place, Mr. Speaker, that has as high a

MR. MARSHALL: priority to us ^{as} the Happy Valley-Goose Bay area, which we are determined to see come into its own. So having said that, in getting back to the question by the hon. member, I will say at the present time that for industrial development, and I am not going to name a specific thing, in the Labrador area there is power available to us, a certain block of power that would be available to us to enable industrial development to take place whatever it would be. But I do want to emphasize, as I say, it is not the style of this government to make announcements beforehand and with respect - until such time as we announce it, I think hon. members in the Province are going to have to take that there are many steps to be taken yet before any development, including that one, comes into play.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER (Simms): A final supplementary, followed by the hon. member for Grand Bank.

MR. NEARY: Mr. Speaker, obviously the hon. gentleman does not read the newspapers or listen to the radio. I withdraw the statement I made earlier about the hon. gentleman being the only one intelligent enough to answer the questions, Mr. Speaker. I can see now that I was unparliamentary - you cannot mislead this House - so I withdraw. I withdraw that statement. But I would like to ask the hon. gentleman now, in connection with the tunnel, the tunnel underneath the Straits of Belle Isle, we were told by this administration a few years back that the tunnel would be used for not only transmitting electricity from Labrador to the Island of Newfoundland, but the tunnel would be used for transportation of motor vehicles back and forth across the Straits of Belle Isle to tie into a Trans-Labrador Highway.

MR. LUSH: The Freedom Road.

MR. NEARY: Would the hon. gentleman tell us now if that plan is also gone down the tube, is that gone down the drain, gone by the board? What has become of that policy that was announced in two elections by this administration and the actual start made on the tunnel? There are two holes in the ground, presently two holes in the ground, one on either side of the Straits to prove that \$200 million of taxpayers money was spent to start that project. What has happened to that policy?

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

MR. MARSHALL: Mr. Speaker, it is still a concept and it is still something that in the years to come, I suppose, we could look forward to it. We have not got anything provided this year, in this year's budget for it. But we could hasten it, I would imagine, Mr. Speaker if the two holes are there. If the hon. gentleman got on one end and started digging and his friend, Mr. Doyle, got on the other maybe they might meet halfway in between and assist the people of this Province.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, the hon. gentleman is getting back to normal. He is becoming the ultimate in nastiness. Maybe if we could get A.B. Walsh on one end and the hon. gentleman on the other and they did not meet we might have two tunnels for the price of one.

Mr. Speaker, I want to come back to the matter of the aluminum smelter in Labrador, the aluminum plant that has been identified or

MR. NEARY: been announced by his colleague, the Minister of Development (Mr. Windsor), and endorsed by a senior official of that department, and they say they should be in a position to make a firm announcement within a week. Now the hon. gentleman said there is a block of power available, but would the hon. gentleman identify if the block of power he is talking about is the 300,000 horsepower that we can re-call from the Upper Churchill, some of it now being used in Labrador City and Wabush, is that the block the hon. gentleman is talking about or is the hon. gentleman talking about the development of the Muskrat Falls?

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

MR. MARSHALL: I have to reiterate again, I started the Question Period in deference to our guests and in deference to our own Constitution to attempt to be pleasant but I just could not - the questions, I am afraid, resulted in the reaction.

Mr. Speaker, in response to what the hon. gentleman has said, there is, and, you know, I do not want to get the government in the position, I sincerely mean this, of having statements made by a government minister misconstrued because, I underline again, it is not our style to make announcements until we are in a position to deliver with these announcements. There have been far too many of these in times past in the Province and it only leads to agony of people who raise their expectations as a result of it. But I can say, Mr. Speaker, that the situation is that any industrial development that is hoped to take place in this Province in the Happy Valley area in the immediate future, and I mean the short term future, would obviously have to depend on recall power.

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

MR. HISCOCK: My question is to the President of the Council, with regard to talking about all the power

MR. HISCOCK: and aluminum plants, etc., I would like to ask the President of the Council (Mr. Marshall) could he inform this House when the government is going to bring in a policy to take the coastal people off diesel power, and also when the communities of Pinsent Arm and Northern Bay are going to be taken off their own private generators and at least hooked up to diesel power? When we talk about exporting all of this power to the United States and to other provinces, our Dominion, that at least we can provide the original people of Labrador with some form of power. Could the President of the Council inform us when we are going to have that?

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

MR. MARSHALL: Mr. Speaker, I can obviously only answer that as soon as possible. If the hon. gentlemen would fully support us in our endeavours with respect to hydro development, it would be very much appreciated and the people in his district would thereby be able to realize this a lot sooner than they would otherwise. Also if the hon. gentlemen wish to support us in acquiring for Newfoundland the basic vested rights with respect to offshore jurisdiction, then we would get the wherewithal to bring about these and many other social needs in this Province, not only in Labrador itself but on the Island, but I would say particularly in Labrador, particularly in the district that the hon. gentleman represents where the

MR. MARSHALL: concerns are so real and which this government would like to be able to fulfill and will fulfill just as soon as we have the resources available and necessary to be able to do it.

MR. HISCOCK: A supplementary.

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

MR. HISCOCK: A supplementary to the President of the Council. With regards to the nationalization of the Churchill Falls Corporation, now Newfoundland and Labrador Hydro say that they made a miscalculation in their rates and instead of asking for seven per cent passed on to the consumers of this Province it is now going to go on to eight per cent because of the interest that they have to pay on the Churchill Falls Corporation because it was nationalized by this government, could the President of the Council inform this House and the people of the Province whether the Cabinet is going to overturn this decision and make sure that the people will only get a seven per cent increase and not put it up to eight per cent?

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

MR. MARSHALL: The danger, Mr. Speaker, of preambles to the questions is that the preambles then become to be taken as a statement of fact. Now the hon. gentleman has indicated that the interest on the Lower Churchill loan has to go up higher and I think if he looks at the details he will find that that is not strictly true. The fact of the matter is that this government is doing everything it possibly can with respect to electrical rates and also with respect to assuring that the electrical rates are controlled, are controlled as near the cost as they possibly can. To this end this government brought in a bill to require Newfoundland and Labrador Hydro, the supplier of power in this Province, to submit itself to the Public

MR. MARSHALL: Utilities Board - it has done that; it is in the process of doing it - the Public Utilities Board will make an examination of the application and they will be making a recommendation. Obviously I certainly cannot state what the Cabinet's position is going to be with respect to it, we will have to assess it at the particular time, but it obviously means - in one respect it does not make any difference because the power has got to be paid for and it is only a question of whether the power is paid by the citizens who are the users or whether it is paid for by the citizens through their taxes, but it has to be paid for in any event.

MR. SPEAKER (Simms): . We have time for one very quick supplementary.

MR. HISCOCK: Newfoundland and Labrador Hydro said that they would develop a small river, L'Anse au Loup Brook, thereby giving the people on the coast of Labrador hydro power, and because of this they would be able to process salt fish down there instead of bringing it to the Island part. Does this government have any intention of financing, help financing this project with the federal government?

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

MR. MARSHALL: Mr. Speaker, the answer to that is the government will obviously look into it and consider proposals of that nature as it has been considering them. But as all those proposals go, they depend to a large, large extent on the amount of money that is available. As the hon. gentleman knows from the Budget Speech that has been brought by the Minister of Finance (Dr. Collins) before this House, we are already borrowing a lot of money, a tremendous amount of money this year. There is a limit to the amount that we can borrow. I know that that is a matter of consideration by the Hydro Corporation and

MR. MARSHALL: it is certainly something that we are sensitive to and we will bear in mind. But the answer to the question comes down to when we get the resources, and I again reiterate that we will get the resources a lot quicker if the hon. gentlemen and his colleagues would agree with us on the matter of jurisdiction to get our just rights.

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

ORDERS OF THE DAY

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

MR. CHAIRMAN (Butt):

Order, please!

When the Committee last met -

MR. MARSHALL:

(Inaudible) one, Mr. Chairman,
the resolution on gasoline tax, Bill No. 86.

MR. CHAIRMAN:

When the Committee last met,
we were debating the resolution on Bill 86, "An Act To Amend
The Gasoline Tax Act, 1978."

Shall the resolution carry?

The hon. member for Eagle River.

MR. HISCOCK:

Mr. Chairman, in closing the
House on the last day with regard to this motion, as I said,
in the Budget various taxes have been brought down in this
House with regard to getting more money for revenue. But
never to increase or index a 22 per cent oil tax on the
consumers of this Province, Mr. Chairman. This 22 per cent
is passed on to the consumers of this Province; it is not only
passed on to them, but the people in Harbour Grace and the
people in Clarenville and the people in Harbour Breton and
the people on the Northern Peninsula having to go to various
places to go to see their doctors, having to go to various other
places to do their shopping, all this, Mr. Chairman, results
in the higher cost of living.

This government has also brought
in a municipal tax on these rural communities and now we have
a 22 per cent index on the price of oil and gas. So we spent,
every time the oil and gas goes up in this Province now, we
actually have to pay more not only by way of the cost being
passed on by the companies or the government, but this govern-
ment itself wanting to go to world prices. No wonder they
want to go to world prices, Mr. Chairman, when they want to
get 22 per cent of that tax. It is one of the things that I am
concerned with and I am amazed that the press in this Province
is not picking this up, because we hear time and time again

MR. HISCOCK: this government saying that the former government in Ottawa under Mr. Clark was defeated on an eighteen per cent tax increase in oil and gas. Here we have a Province increasing it by 22 per cent and indexing it. At least the Conservatives and the Liberals in Ottawa, both of them, at least they have the intestinal fortitude to go and put up the rates each time, and at least the people know, instead of doing it indirectly, from now on it is going to increase and the people will not even know that this government is getting more taxes from it.

But I ask the question, Mr. Chairman, with regard to equalization. The more we go to world prices, the more Ottawa or Canada, the have provinces, pay to Newfoundland and the other provinces. We have \$40 million extra on equalization last year because of the increase in oil and gas, \$40 million extra. Now if it goes up even more, we will get more coming from Ottawa, and now with this indexing of 22 per cent on oil and gas, we will even get more from that. So I think that the people of this Province should realize that when we want to go to world prices, it is not from the point of view of helping the people on fixed incomes or helping

MR. HISCOCK: the people on low wages in this Province. I note the people in rural areas who do not have the facilities, who have to come to the larger urban areas, that this government basically is in a position now of almost having a new form of resettlement, forced resettlement, upon them. One is property tax; if you want water and sewerage from now on, you have to put a property tax on your building. Number two, whenever you need the facilities to go to see the doctor or go to any specialist or go to the bank or go to a loan company or go to the Fisheries Loan Board or go to government offices, whether they be in Corner Brook, Grand Falls, St. Anthony or St. John's, the people in rural areas have to drive to these areas. And I again say, Mr. Chairman, that this government has no care whatsoever for the people on low incomes and people in rural areas of the Province.

I think that this tax is probably one of the most regressive taxes we ever had in this Province. Agreed, we need more forms of revenue. I was amazed at the minister and the government announcing a \$7.5 billion project for Labrador - the Trans-Labrador Highway, the Lower Churchill, Muskrat Falls, the superport in the Happy Valley - Goose Bay area - and again wanting the federal government to end up paying for that.

With this indexing, Mr. Chairman, as the price of oil and gas is going to go up, we are going to see ourselves in this Province having to borrow more, and the one it is passed on to, it is not passed onto the large corporations, it is not passed on to the mining companies or to those who can afford it, it is passed on to the senior citizen, it is passed on to the wives who have to come to well baby clinics in the Province, to go to a larger area, it is passed on to the students who have to commute back and

MR. HISCOCK: forth to trade schools and also to university or to the junior college , it is passed out to these people. It is passed on to the people in this Province who can very ill-afford it. And this, as I said, is compounded by the fact of getting into a property tax. It is almost making it impossible now for the people in the area of Bay of Islands to live in Bay of Islands. A lot of people live there by choice instead of wanting to move into Corner Brook , but new with this 22 per cent indexing on gas products in this Province, as well as the property tax, you are going to see more people moving into the Corner Brook area because the services are there and they have to pay the taxes; and with property tax and equalization on indexing of the oil, then what is going to happen is that more people are going to have to leave the area of Bay of Islands. And also in the district of Exploits, more people will have to move in to Gander and Grand Falls to live. I, Mr. Chairman, for one, feel that if we are going to continue to have a rural character to our Province, if we are going to continue to reinforce the fishery, if we are going to reinforce the farming aspect in this Province, we have to make it economically viable for these people to live in those other parts of the Province. They do not have the schools, they do not have the hospitals, they do not have the arts and culture centres, they do not have the museums, they do not have the restaurants, they do not have the movie houses, they do not have many, many of the facilities that St. John's has as a result of taking money away from the rural areas of the Province and spending it on St. John's. What they do have, Mr. Chairman, is the ability to bring new dollars into this Province by way of farm products, by way of the fishery, by way of lumber. And what are we seeing, Mr. Chairman?

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MR. HISCOCK:

Are we seeing this government
taking the attitude of helping these people who stay in
Exploits and Bay of Islands and

MR. HISCOCK:

the Port au Port Peninsula and Coastal Labrador and around St. Anthony area? No, Mr. Chairman, we are not doing that. We are bringing in a way now that is forcing these people to move into larger areas. Obviously again the ministers of this government would much prefer that all of the people in Newfoundland move on into St. John's. And I for one, Mr. Chairman, feel that if we are going to continue to have a fishery we need fishermen to fish it, and we need farmers to farm our land, and the only way, Mr. Chairman, we are going to have that is if we bring in laws and taxes that are equitable. The sales tax, Mr. Chairman, in this Province-eleven per cent. The Premier of this Province said in the election that he was not going to increase the sales tax. My God, anybody who would have the nerve to increase eleven per cent sales tax has to border on the line of insanity. Our people just would not stand for twelve per cent sales tax. And no wonder when the Premier made that promise the people in this Province realized that he could not put up this. And what did he do, Mr. Chairman? He put up the prices of marriage licence. He put up the prices of moose licences. He put up the prices of salmon licences. And every other thing in this Province, Mr. Chairman. Almost every bill that has come before this House, any fees whatsoever, was raised. With regard to the boat bounties, raised from six per cent up to eight per cent. With regard to paying extra costs now in the hospitals, I believe it is-what? \$2.00, or \$6.00 for a bed if you want a private room.

So, Mr. Chairman, the government is not increasing the sales tax to twelve per cent, it is going around the backdoor and indexing the price of oil and gas and it is putting up all the other ones, jumping from Motor Registration to moose licences to rabbit licences and salmon licences, all the various forms of that. Going to a provincial

MR. HISCOCK: park, everything, Mr. Chairman, is being raised by this government. And I think it is about time that the people of this Province - and the press of this Province - realize that what is happening is that the Premier is not raising the sales tax but everything else is being raised. And as I said, Mr. Chairman, it is now becoming harder all the time. No wonder we see an exodus going for Alberta where they do not have a sales tax. No wonder we see an exodus of nurses and teachers and doctors to other parts of Canada and to the States. The main reason why, Mr. Chairman, they are leaving is because of the heavy taxation. And you would not mind, Mr. Chairman, if they took this money that they are collecting and spent it wisely, but we have seen the two holes that have been blown up on both sides of Labrador in Flowers Cove and L'Anse-Amour, almost \$200 million wasted there. We have seen the waste of the Linnerboard being converted from a chip mill in Goose Bay to a log bringing them down by barges. No wonder, Mr. Chairman, it was in financial trouble. But then thank God at least we had the plant in Stephenville and now we have the plant operating. If it was not again for this administration, the former Liberal Administration, we would not even have those jobs there.

But with regard to spending this money, how do we spend it, Mr. Chairman? I cannot see how we as a Province, as proud as we are, can look the people in rural areas around our Province and even on low income here in St. John's and say to these people, "You have to live in those housing conditions when the Premier of our Province lives on the hill overlooking the harbour." I say for one, Mr. Speaker, sure it is fitting and fine of our Premier to have such conditions, but Governor Browne of California, did he accept it? No, he took a modest house. The former Archbishop of St. John's, did he maintain the house provided

MR. HISCOCK: by the church? No, he sold it and ended up taking a modest apartment. And the same goes for all parts of our Province and our leaders. Anybody that has any concern and compassion for the people do not exhibit the luxuries.

The Premier of this Province going down in a cavalcade, sitting in the back seat of the car by himself and he is chauffeur driven. You would not know but he was the President of the United States, or His Holiness Pope John Paul II.

So, Mr. Chairman, I think that we have to come down out of the clouds, the ivory tower and get back to the reality. Sure we need an increase in taxes, but do we need an increase of equalization - not equalization but an increase of indexing.

With regard to the people on social services, low income, is the Minister of Social Services (Mr. Hickey) going to index

MR. HISCOCK:

that? Is it going to index the increase of their cost? No, he is not, he is only giving ten percent. But here in regards to when they have to go to the doctor or to the Social Welfare officer, they have to go twenty-two per cent of an indexing going up. And I think it is one of the most worse frauds perpetrated on the residents of this Province by this indexing. I am a little bit upset that the media of this Province is not picking up on it, that it is scandalous, that you are bringing in a tax measure that has never been brought in before in the history of this House of Assembly and the former parliament that we are bringing in an indexing of twenty-two per cent on oil and gas. It is outrageous.

As I said, no wonder the Province here wants to go to world prices because as the oil goes up all the more, then it has to pay more.

But with regard to my district itself, not only are they going to put the indexing of twenty-two per cent on it, on top of that, now, because we are in Labrador, in coastal Labrador have diesel power, we have to pay the highest rates, not that is going to be compounded even more by this indexing. And the President of the Council (W. Marshall) gets up and says and states that he is concerned for the people of coastal Labrador. The Minister of Fisheries (J. Morgan), is he going to be saying to the fishermen of this Province, even though they get marked gas, is he going to be saying to the fishermen of this Province that they have to have a twenty-two per cent indexing on their products? Is he proud of that? Is that the way we are going to help our fishery to be competitive and take over the world markets in this country by a twenty-two per cent indexing? Is this how it is going to help the pulp and paper mills in this Province,

MR. HISCOCK: that we have to take all the logs to the plants over these woods roads and the Trans-Canada? Is this going to help us compete in the international market and keep Abitibi Price and Bowater viable? Is the government concerned with this, Mr. Chairman. Obviously, Mr. Chairman, the government is not concerned in this. The government is making sure that they are putting the boots not only to our construction industry by having no contracts this year, not only to our corporate community but putting it on the backs of the ones who can ill-afford it and those are the people on low income. And I, for one, Mr. Chairman, am a little bit surprised that so many people on this government side are supporting this and not saying anything about it.

I wonder how are the people in Seal Cove going to like it when they have to drive into St. John's and each time realize there is a twenty-two per cent tax indexed on their gasoline? I wonder how the people down the Southern Shore, down in Kilbride and also down around Placentia, how they are going to enjoy that?

And as I said, Mr. Chairman, the people in Burgeo when they have to go into Corner Brook or Grand Falls area on business, how are they going to enjoy that? And, I for one, am a little bit upset, Mr. Chairman, that the media itself is not reporting the impact, the economic impact that this twenty-two per cent index on the price of oil and gas is going to have on our economy. It is going to have ramifications that are unbelievable, unbelievable.

But as I said, with regard to St. John's, it does not matter. They have a bus service that is heavily subsidized by the Federal and Provincial and City government. You can around this Province, but I am concerned with the ones who have to drive sixty, seventy, eighty, ninety

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MR. HISCOCK:

one hundred, one hundred and ten,

and -

SOME HON. MEMBERS:

Oh, oh!

MR. CHAIRMAN (Butt):

Order, please!

MR. HISCOCK:

- one hundred and twenty miles a

day, Mr. Chairman.

MR. HISCOCK: a day, Mr. Chairman -

SOME HON. MEMBERS: Oh, oh.

MR. CHAIRMAN (Butt): Order, please!

MR. HISCOCK: - but no, Mr. Chairman, this government is not concerned. Maybe they might be a little bit concerned, Mr. Chairman, when they have to drive to the Yacht Clubs, and when they have to drive then maybe they might complain a little bit about the high cost of gas but again they will probably brush it off and say, 'Well, the federal government is putting it up', but I always thought it was the Conservative government when they were in power who wanted to go to world prices much faster. I always thought that that was it, but now every time there is an increase, the Conservative government here lambastes the federal Liberal government for increasing it. They talk through both sides of the mouth - at one time they are saying we should not have the increase, another time they are saying to Mr. Lougheed and Mr. Clark that we should have world prices. And now we have to have indexing. No wonder there is indexing, Mr. Chairman. Hit them hard, hit them when they are down and kick them while they do not know it. It is like the property tax; it is only now rural areas of our Province are beginning to realize the impact of that bill that was forced down the throats of our rural areas and forced through this House. And also it is the same way it has been done, Mr. Chairman, with regard to the matrimonial law and with regard to the flag. It is the attitude that has done it, it has been rammed through the House. And this other money bill - 22 per cent - again is being rammed through the House and rammed down the throats of our people and the media again are not picking up on it and it is only after three or four months, Mr. Chairman, will the people of this Province realize that this government ends up going on indexing the price of oil and gas at 22 per cent. It is unbelievable, Mr. Chairman, that we

MR. HISCOCK: have a government who would be so callous and so hard as to do this to our people of the Province. Why do they not have the intestinal fortitude that each time they want to raise it they do not come before the people and at least do what Newfoundland and Labrador Hydro is doing, at least they come every two or three months and ask for a rate increase?

SOME HON. MEMBERS: Oh, oh.

MR. CHAIRMAN (Butt): Order, please!

MR. HISCOCK: And Newfoundland Light and Power, every two or three months come and ask for it. But no, Mr. Chairman, is the government here coming and asking for an increase in oil and gas? They are only doing it once, Mr. Chairman, only once and they are indexing it. And I would say, Mr. Chairman, it is a shame, it is a perpetrated fraud that is being pulled off on our people, and if our people realized the ramifications it is going to have on our economy, then, as I said, they would not stand for it.

But, Mr. Chairman, with regard to the price, I am amazed at it and, as I said, I am amazed that this government is continuing to do it, and here you have so many Cabinet ministers and so many private members who are not opposing it. They are praising themselves, patting themselves on the back when they make certain announcements. But when it comes to something like this, are they letting the people know, are they informing them of their rights, are they informing them of the laws of the land that are being changed? No, they are not, Mr. Chairman, they are being quiet on that. And then when the increase of oil and gas comes, what will they say? 'Oh, that is Ottawa's fault, and that is the international oil companies.' They will not say anything about the 22 per cent indexing increase and the price of gasoline in this Province

MR. HISCOCK: is something like seven cents from the federal and I believe it is something like fifty-four cents with regard to the Province. It is unbelievable, Mr. Chairman.

But in concluding, Mr. Chairman,
this part here -

SOME HON. MEMBERS: Oh, oh.

MR. CHAIRMAN (Butt): Order, please!

MR. HISCOCK: - that I would like to say that if the government of this Province is concerned about the average person of this Province, if they are concerned about the average one in this Province, then they will not, they will retract this piece of legislation and they will only increase it each time that they feel that they have to. But no, Mr. Chairman, they are not doing that. And I hope, Mr. Chairman, other members on this side as well as the government side will get up and speak up for their rights and the rights of this Province because, Mr. Chairman, I for one feel that a big one is being pulled over on our people. And as I say, if our people knew that we are getting into an indexing of 22 per cent on it, and the ramifications that is going to have on the truckers of this Province with regard to the carriers of this Province, with regard to the carriers of fish, of pulp and paper and of other manufactured resources, with these regards, how can we ask and expect tourists to come to this Province where we have the highest price of oil

MR. HISCOCK:

and gasoline in all North America. How can we expect him to come here, Mr. Chairman? Here is the government trying to, at one point, develop one programme and in another one they are bringing in a programme that is going to undercut it and contradict it in every way. And as I said, Mr. Chairman, when we do get the road down in Labrador, the Freedom Road constructed, with the help of the federal government, how are the people in Menihek and the people in Naskaupi districts going to like the idea of having to go 160 miles at an indexing of 22 per cent on oil and gas? No, Mr. Chairman. I mean, the people of this Province, the rich people, the Crosbie's, the Lundrigan's and the Ayre's and the larger ones of this Province can afford it. So no wonder, Mr. Chairman, they are complaining.

Mr. Chairman, I hope that this government, if it is concerned about the rural areas of our Province, will withdraw this piece of legislation.

MR. CHAIRMAN(Butt):

Shall the resolution carry?

MR. NEARY:

Mr. Chairman.

MR. CHAIRMAN:

LaPoile.

The hon. the member for

MR. NEARY:

It is not quite carried yet, Mr. Chairman, because -

LaPoile.

MR. CHAIRMAN:

Excuse me for interrupting the hon. member. He has already spoken to this piece of legislation.

LaPoile.

MR. NEARY:

Yes, that is correct. Therefore, I can speak a dozen more times to it.

LaPoile.

MR. CHAIRMAN:

Pursuant to Standing Order 49, each hon. member has thirty minutes except the minister introducing the bill and -

LaPoile.

MR. HISCOCK:

Ten minutes. Ten minutes.

MR. CHAIRMAN(Butt): No, no. - and the hon. member responding would have an hour. Every other member has one shot at it in Committee for one half hour. That is the rule under Standing Order 49.

MR. NEARY: No. With all due respect, Mr. Chairman, we are in Committee of the Whole and -

MR. CHAIRMAN: There was an agreement on previous Supply Bills -

MR. NEARY: There is an agreement, that is right.

MR. CHAIRMAN: - that you could debate ten minutes but there was no agreement that - at least it was not brought to the Chairman's attention.

MR. NEARY: Oh, every time -

MR. CHAIRMAN: If there is leave, well by all means, you know.

MR. NEARY: No, no, not leave. No.

MR. MARSHALL: (Inaudible) in Committee of Supply, maybe, or Committee of the Whole.

MR. CHAIRMAN: Well, this is Committee of the Whole on Supply.

MR. MARSHALL: Does Your Honour wish to adjourn for a moment?

MR. NEARY: No, with all due respect, Mr. Chairman, if there is no agreement then Your Honour has no choice but to return to the Chair.

MR. CHAIRMAN: Yes.

MR. NEARY: Return to the Chair -

MR. CHAIRMAN: What I will do, if hon. members will permit me, I will just take a very quick recess to check this. Because as I understand it -

MR. NEARY: Yes, okay. I think it would be a good idea.

MR. CHAIRMAN(Butt):

half hour.

- each hon. member has one

MR. NEARY:

idea, Mr. Chairman; otherwise never again will there be an agreement.

I think it would be a good

MR. MARSHALL:

anyway.

There was never an agreement,

RECESS

MR. CHAIRMAN (Butt): Order, please!

Just for clarification for all hon. members, pursuant to our Standing Orders in Committee of the Whole we can speak for up to thirty minutes and as many times as any hon. member wants to.

MR. NEARY: Mr. Chairman.

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

MR. NEARY: An excellent ruling. I want to congratulate the Deputy Speaker on the way that he has managed to grasp the rules of this House in such a short time. I have never seen a Speaker or a Deputy Speaker or a Chairman of Committees who has mastered the rules of this House like the hon. gentleman has done in such a short time. That was just typical of the kind of fair ruling that we get from the hon. gentleman.

Now, Mr. Chairman, my hon. colleague mentioned a couple of points that I had not thought of earlier, actually, when I was speaking in the House. My hon. colleague mentioned the fact that the government members are silent on this money bill. This is a money bill we are debating and the government members so far have been silent on this bill, as they have been silent for practically the whole session of this House. It is amazing, Mr. Chairman. I have never in my nineteen years in this House witnessed backbenchers who were so silent on important matters that are being debated in this House that affect the people of this Province. Even on Private Members Day, Mr. Chairman, which is supposed to be a leisurely day in the House, do we find the backbenchers, the private members on the government side up speaking on bills?

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

MR. CHAIRMAN: On a point of order, the hon. the President of the Council.

MR. MARSHALL: As Your Honour has ruled, which is, you know, obviously quite correct, a member may speak more than once in the total allotment. But I think when we are considering a bill like this, the matter also of relevancy comes into play and we are considering now the levying of a gasoline tax act and I do not really think that the matter of whether backbenchers speak or who speaks, or the area which the hon. gentleman was getting on was relevant really to the bill.

MR. STIRLING: To the point of order, Mr. Chairman.

MR. CHAIRMAN (Butt): To the point of order, the hon. the Leader of the Opposition.

MR. STIRLING: Mr. Chairman, there is no more important bill that we pass in this House, even though it is late in the session and the government is hoping no one will pay any attention to it by bringing it in late. My colleague is quite right in saying that this is a very important matter on which the House should have its say, because it is taking from the House authority that the House has. It is putting in an automatic tax, an automatic increase. Every time the price goes up, automatically this tax will go up, which means that unlike everything else where they have to come back to the House to get the authority of the House, my colleague is pointing out to the members on the other side that their authority is being taken away from them. It is the authority of the House that is being taken away and that is why he is pointing it out and it is completely relevant, Mr. Chairman.

MR. NEARY: To that point of order, Mr. Chairman.

MR. CHAIRMAN: To the point of order, the hon. the member for LaPoile.

MR. NEARY: Just briefly, I do not want to delay, because I am sure Your Honour has his mind made up, but what could be more relevant, Mr. Chairman, to this

MR. NEARY: debate than to indicate to the House during my debate the number of ministers and members who have commented on this motion? What could be more relevant? The hon. gentleman is just obviously embarrassed over it and he is afraid I am going to say something that may embarrass the government.

MR. CHAIRMAN (Butt): With respect to the point of order, let me first say that relevancy is very difficult to define and the member speaking should be given the benefit of the doubt, but I do believe the hon. member was straying somewhat from

MR. CHAIRMAN (Butt): the Bill that we are debating here today although it is a money bill and one that has far-ranging debate. But certainly I think he should confine his remarks to that bill.

The hon. member for LaPoile.

MR. S. NEARY: Mr. Chairman, again I have to congratulate your good self on an excellent ruling. So I have to return to the point that I was making when I was so rudely interrupted by the member for St. John's East (Mr. Marshall). That is that here we have an important money bill before this House, a money bill that will change the formula of the provincial gasoline tax. Where is the debating coming from; Mr. Chairman? Where is it coming from? Well, so far it has come from one or two ministers. Apparently other members of the House, who represent districts especially in rural Newfoundland, are not concerned enough about this money bill to get up and say whether they are for or against changing the formula, whether they are for or against such a hefty provincial gasoline tax in this Province.

MR. BARRETT: All members should have a chance to vote on it today.

MR. S. NEARY: No, Mr. Chairman, all members should have a chance to speak on it not only vote on it. And I started to say with regard to the debates of the House so far this session, that one thing is very significant in the House this session - not only on this bill but on a number of other bills - that members are not allowed to speak, they are silent! All we are getting is one or two ministers or two or three ministers standing up on everything that is debated in this House. On Private Member's Day, which

MR. S. NEARY: is supposed to be a leisurely day in this House, you would expect private members on both sides of the House to be debating. But what have we seen? We have seen two or three ministers get up and try to answer the private members on this side in a vicious, the most vicious fashion, the most vicious way that I have ever seen in this House in the past nineteen years. They are vicious! On private members' resolutions they are uptight! And were we are now debating a bill, a money bill that affects every man, woman and child in every member's district in this Province, a bill that will change the formula of the gasoline tax, that will remove the gasoline tax, remove the possibility of government having to come to the floor of this House every time they want an increase in the gasoline tax as they did previously. And they can argue all they like that that is the way it is done in other provinces. That does not make it right! They are removing it from the floor of the House forever. So that from now on there will be more revenue from the gasoline tax! More revenue, yet the government do not have to come into this House to ask for an increase in the tax to get that extra revenue! It is built in, the increase is built in to the 22 per cent. And I have no doubt that the Minister of Finance (Dr. Collins) when he converted it from a straight, across-the-board charge to 22 per cent no doubt in the back of his mind he hopes that gasoline and oil will increase in price in Canada and in this Province. Why would he not wring his hands and hope that that would happen? Because everytime the price of gasoline goes up, more money for the provincial coffers.

AN HON. MEMBER: For the people's House.

MR. S. NEARY: I beg your pardon?

AN HON. MEMBER: For the people's House.

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MR. S. NEARY: No, Mr. Speaker, it used to be the people's coffers. My hon. friend reminded me of the motorcade that I saw today - and this is where some of this money goes - the motorcade I saw today: the head car

MR. NEARY:

the lead car had our dearly beloved Premier in the back seat of the car with his bodyguard driving. All the other cars had three or four or five people in the car, about fifteen or twenty of them. I got tangled up in the motorcade. I had to get out of the way or I would have got run over.

MR. STIRLING: None of the others would sit with him.

MR. NEARY: Mr. Chairman, have we reached the stage in this Province where nobody wants to be seen with the Premier? Does he have a friend left? Is there anybody left that would ride in the car with him, in the lead car? Well, maybe God was in there.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Oh, listen to the freeloader. The freeloader is at it again Mr. Chairman. But, Mr. Chairman, have we reached that stage when nobody wants to be seen with the Premier riding in the lead car? And not only that, we boast of the fact in this Province that we are different than other parts of Canada, that you can still leave your door unlocked in Newfoundland when you go out. Well, did anybody see the security that surrounded the motorcade that drove over to the Arts and Culture centre this morning from Hotel Newfoundland? I was ashamed of my life, ashamed. Here we are, boasting about how hospitable we are -

MR. CARTER: That has nothing to do with it.

MR. NEARY: Yes, it has all to do with it, because some of this money goes into general revenue and can be spent on anything, including the show that we saw this morning. My hon. friend compared it - I mean, who does he think he is? Does he think now he is in the same category as the President of the United States or His Holiness ^{the} Pope? Is that where he has elevated himself

MR. NEARY: now to that state in life?
Mr. Chairman, I think it was disgraceful. Anybody who saw it would be ashamed to say that we are hospitable people. You can leave your door open. I had a tourist tell me the other day -

MR. POWER: You can not leave your door open.

MR. NEARY: Well, I will not say -

MR. POWER: Do you leave yours open?

MR. NEARY: I certainly do leave it open.

I have not locked a door in my life and I have not had one thing stolen or touched by anybody, and that is something that I am proud of as a Newfoundlander. But if you saw that show this morning, that show of strength. The helmets on, and the motor cycles and the red lights flashing you would not know but we are -

MR. HOUSE: That was ceremonial.

MR. NEARY: Yes, ceremonial alright. You would not know but Idi Ami was being escorted up the parkway this morning.

MR. THOMS: Maybe Bani-Sadr is over here.

MR. NEARY: Yes, Mr. Chairman, maybe Bani-Sadr made his escape after all and he is in Newfoundland and not in Turkey and maybe that is who they were protecting. But does the Premier of this Province need that kind of protection? Does he, Mr. Chairman? What a cost. What an expense, an unnecessary expense, what a burden to the taxpayers of this Province who have to cough up twenty-two per cent. On every gallon of gas they purchase they have to pay twenty-two cents per dollar to this government.

DR. McNICHOLAS: Give us a bicycle.

June 25,1981

Tape No. 2799

ah-3

MR. NEARY: Well,we will all be like the member for St. John's East (Mr. Marshall) pretty soon. If this keeps up,we will all have to start riding bikes.

The hon. gentleman may be smarter than we think he is. The hon.

MR. NEARY:

gentleman may not be doing it for physical reasons, he may not be doing it to get his exercise, he may be doing it because he knows something that we do not know, that the price of gasoline is going to get out of reach of the ordinary people of this Province and they will all have to start riding bikes, the same as they do in England and in other European countries.

Mr. Chairman, I am not at all happy with the debate so far and I am not at all pleased or happy that the message has yet gone out to the people of this Province, that the word has gone out yet and we may have to stay on this another day or two, or two or three more days, seeing we are going to be here until Regatta Day or Labour Day. I could not think of any better bill that we could spend our time on than this one, Mr. Chairman, if we are going to be here until Regatta day, than this gasoline tax. Because I am not satisfied that the word has yet gone out and it may take another two or three days for it to filter through. If we had the television cameras in on the floor of the House, I might be satisfied that the information is being communicated to the people of this Province, or if we had the outfit that is down challenging, taking on the Newfoundland Telephone Company, if they would communicate to the people of this Province the amount that they are paying for Provincial gasoline tax in this Province, then I might say yes, let her go, that the people know and the people will govern themselves accordingly in the next provincial general election.

But it takes days sometimes, three or four days. You have to say things over and over and over. You have to keep repeating them over and over and over again in order for the word to filter out. Tomorrow it

MR. NEARY: may make page ten. Eventually, Mr. Chairman, if they see that we are determined, that we are going to get our point across, then they may flip it over to page one or page two or page three.

Everyone used to wonder why Mr. Smallwood, when he was Premier of this Province, in this House, why he had to keep repeating himself over and over and over again. I think it is obvious now, Mr. Chairman, to everyone why he had to do that. And I am not going to dwell any further on that, but I just want to say this. If I only could get this message out, that every time Newfoundland motorists stop at the gas pumps from now on, from the time this bill becomes law, every time they stop at the gas pumps, that out of the price they are paying for gasoline, twenty-two cents out of every dollar goes into the Provincial Treasury, Not the Federal Government, not the OPEC countries, twenty-two per cent which is twenty-two cents to the dollar, twenty-two per cent, or twenty-two cents to the dollar, goes into the treasury of the provincial government, and that is more taxes.

Mr. Chairman, just listen to this. That is more, that is three times more than the Government of Canada collects from the gasoline tax. Do hon. members realize that? And yet we heard the Minister of Fisheries (J.Morgan) spring to his feet yesterday and tell us about the Federal Government being responsible for the increase in gasoline in this Province. The hon. gentleman had the face to get up and tell us that yesterday, knowing,

MR. NEARY: Mr. Chairman, knowing that this government here in Newfoundland, the provincial government, collects almost three times more gasoline tax than the Government of Canada. And what does this crowd here do with the tax? It goes into general revenue and can be used for anything. It can be used for giving the Premier a luxurious home, it could be used for providing him with motor vehicles, bodyguards, a private dining room downstairs here in Confederation Building that they will not tell us about.

MR. YOUNG: Who built that, I wonder?

MR. NEARY: Mr. Chairman, let me say something about that private dining room. The hon. gentleman just baited me over there. Prior to 1972 that private dining room, as far as I know, was paid for by the people who ate their meals there. And the wine and the beer that was drank there was donated, to the best of my knowledge. But after Mr. Moores took over, and his successor, the Emperor, Hailie Selassie, after they took over it was charged to the public treasury. The cost of operating that dining room is a burden to the public treasury. So that is something else.

MR. YOUNG: (Inaudible) on Roaches line for him.

MR. NEARY: I beg your pardon?

MR. YOUNG: They donated over on Roaches Line for him.

MR. NEARY: Well, let me straighten that one out, Mr. Chairman, seeing I have been baited again. Not only did the taxpayers and the Government of this Province not give Mr. Smallwood a home, not only did they not, and I hope this sinks through, not only did they not give him a home, but he gave the Newfoundland people a home for one dollar.

MR. YOUNG: That is right (inaudible).

AN HON. MEMBER: They gave him hundreds of homes.

MR. NEARY: The home on Roaches Line is owned by the people of this Province because it was given to them, donated by Mr. Smallwood. And do not ever again let anybody, inside or outside of this House, do not ever let me hear them say that the government provided Mr. Smallwood with a home. That is untrue. It is a lie. It is a big lie that this hon. crowd have let stand. They did not tell the lie, Mr. Chairman, it is not their lie but they have not contradicted it. Mr. Smallwood sold that house to the Newfoundland Government, gave it to them for one dollar, a nominal fee. And anybody who does not believe me can go down there in the registry office and search the Registry of Deeds and they will find that that home was not built out of taxpayer money.

AN HON. MEMBER: No? (Inaudible).

MR. NEARY: No, it was not. My hon. friend can mutter under his breath all he wants. Prior to Mr. Moores no home was provided to a Premier of this Province, ever, including Coaker, Squires, Carson, Sir Robert Bond. None of them were given a home by the taxpayers of this Province.

So this money that we are talking about, this provincial gasoline tax, the money can be used for anything. I mentioned the home, the cars, the bodyguards, the private dining room - questions on the Order Paper about that. Government so far refusing to answer the questions - airplanes, used for all kinds of flimsy excuses,

MR. NEARY:

flying in-laws back and forth, flying deputy ministers and flying booze - not to be connected with deputy ministers now - booze in for taverns and clubs in remote parts of the Province, and now, Mr. Chairman, the government is digging in and refusing to give the Public Accounts Committee the list, the logs of the government aircraft. Why? Why are they doing that, Mr. Chairman? Why are they prepared to render the Public Accounts Committee, which has been so effective in this Province, useless?

MR. THOMS: But surely they are not doing that now, after the Freedom of Information Act!

MR. CARTER: That is not true.

MR. NEARY: That is true. So far, Mr. Chairman, I can say, as a member of that Committee - and the hon. gentleman can speak for himself - that so far -

MR. CARTER: That is misleading the House.

MR. NEARY: I am not misleading the House. If I am, I challenge the hon. gentleman to get up and tell me where I am misleading the House. So far government have refused to give the Public Accounts Committee - to give this House, first of all, they refused to give us in this House the logs of the government aircraft and the use of the helicopters by the Premier and by ministers. We do not want it for the whole public service, all we want are the logs for the Premier's Office for the last year and for three or four ministers. That is all we are asking for Mr. Chairman. We are not asking for the logs of every hour that was flown, that the aircraft was aloft or the helicopters were aloft, we are not asking for that. We are only asking for the logs for the Premier's Office for the last year, ministers' transportation - the Minister of Forestry (Mr. Power) and one or two other ministers. Now, Mr. Chairman, you should be able to get

MR. NEARY: that information in jig time.

AN HON. MEMBER: Why Forestry?

MR. NEARY: Why Forestry? Because that is a big user of the - we are not talking about the ordinary use by the forest patrols and so forth, we are asking the number of times the aircraft was requisitioned by these ministers, the number of times the aircraft and helicopters went aloft at the request of these ministers, who the aircraft transported and for what purpose? Now does Your Honour see anything wrong with that? That is just basic. That is fundamental. That is the kind of information that should be willingly laid on the table of this House?

AN HON. MEMBER: Why would you deny it?

MR. NEARY: Why would they deny the Public Accounts Committee or the House of Assembly that information? Why, Mr. Chairman? Obviously, they have something to hide.

MR. AYLWARD: Did they deny the Public Accounts?
(Inaudible).

MR. NEARY: Mr. Chairman, let me repeat for the benefit of the hon. gentleman what I just said. I said so far the information we asked for on the government aircraft has not been forthcoming.

MR. AYLWARD: But did they deny it?

MR. NEARY: Yes, they did deny it.

MR. AYLWARD: I did not see anything to say they denied it. Mr. Chairman, they have challenged it. They went to the Justice Department and said, 'Do we have to give up this information?' They have challenged our right to have it.

MR. AYLWARD: Was that a denial?

MR. NEARY: Well, I do not know what else you would call it.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: What would the hon. gentleman call it? Put it in survey on language now. What would the hon. gentleman call it?

MR. AYLWARD: (Inaudible) request, there is no denial.

MR. NEARY: Leaking - they are leaking
information?

MR. AYLWARD: Seeking information.

MR. NEARY: Who is seeking information?

MR. AYLWARD: Whoever went to Justice.

MR. NEARY: No, they were seeking a legal
opinion as to whether or not they had to give up this
information to the Public Accounts Committee.

MR. THOMS: If they decided to give it there
is no need of a legal opinion.

MR. NEARY: Mr. Chairman, why would they deny?
If they persist - why would they deny

MR. NEARY: why would they deny this information to the Public Accounts Committee?

MR. J. CARTER: No, that is a lie.

MR. NEARY: What is a lie?

MR. CARTER: (Inaudible).

MR. NEARY: Mr. Chairman, Your Honour knows, I do not have to raise a point of order. Your Honour should be able to deal with that.

MR. CHAIRMAN (Butt): Order, please! I ask the hon. member to withdraw.

MR. CARTER: I withdraw (inaudible).

MR. NEARY: So, Mr. Chairman, if they persist and refuse to give the Public Accounts Committee this information, then we can only assume that they have something to hide, that they do not want the people, the taxpayers of this Province to learn to what use the government aircraft is being put. And I am also told, Mr. Chairman, out of this gasoline tax, that the government are considering buying a new aircraft. This is the latest. My usual reliable sources of information -

SOME HON. MEMBERS: Reliable? You?

MR. NEARY: Yes. I am coming to that by the way. I am coming to that. That they will either buy a new aircraft, a jet to replace the King Air or, listen to this Mr. Chairman, or the Petroleum Directorate will buy their own aircraft, buy their own jet.

Just imagine! While we are closing down hospital beds, socking it to the consumer with a twenty-two cent a gallon gasoline tax in this Province, which is higher than the tax collected by the Government of Canada, while we are shutting down hospital beds, we cannot pay nurses the salaries they want to man the hospitals, while little children cannot

MR. NEARY: get wheel chairs in this Province, while people cannot get eye glasses in this Province, while people cannot get dentures in this Province, while the government will pay the \$4 dispensing fee for indigents on drugs and not pay it for senior citizens, while that is going on, Mr. Chairman, while that kind of a policy is being pursued we hear rumblings, rumours, reports that the government are going to buy a new aircraft, a jet.

MR. THOMS: They should buy a new boat too to replace the Norma and Gladys.

MR. NEARY: Well, if my hon. friend wants to, he can deal with that when he speaks on this bill.

And if that does not happen then the Petroleum Directorate, Mr. Millan and his empire, will buy their own jet. They have to keep up with the Mobils of this world, and Gulf and all the jets that we saw landing at Torbay yesterday, bringing in the officials and the governors from the New England States. The jets were landing down there - I was watching them yesterday evening - as fast as you could count them. Well, Emperor Alfie cannot be left out in the cold, he has to have his own jet. Why should he not? If the Governor of New York or the Governor of New Hampshire, or the Premier of Quebec, if they can have their own jet why cannot our Premier have his jet? We have given him everything else. We may as well give him a jet too and then put the stewardesses on board of her. I mean, if we are going to give him a little comfort let us give him a little comfort. He is only going to have one shot at it anyway. Give him a couple of stewardesses, give him two or three bodyguards on board of her, put the machine gun turrets on the top of her and in the tail of her to make sure that one of these long-range bombers that George Baker talked about the other day that is patrolling the Newfoundland Coast, to make sure that they do not get a shot at him. Why not go all the way,

MR. NEARY: Mr. Chairman? Why settle for that obsolete King Air? So perhaps the minister can tell us, if there is a minister who would care to respond, if indeed they are going to buy a new aircraft, a new jet, to replace the King Air, or is Mr. Millan and his Petroleum Directorate, do they have permission to buy a new jet?

Before we pass this money bill, Mr. Chairman, I have raised some very important questions here, some very important matters and I would expect to get some answers from hon. gentlemen on the other side. The minister is away, but whoever is responsible for piloting this bill through the House, certainly should provide us with some information as to how this money is going to be used.

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

MR. MARSHALL: Mr. Chairman, this money that is raised will go into the general revenues of the Province, as has all monies that are raised from the general taxation, this is a general taxation bill. It has been announced in the budget. This bill is to bring in the measure in the budget. The budget has been passed. The monies that will be raised will be raised and used for the general needs of the Province, part of which will be needed, of course, to pay the interest on the debt and to pay for schools and pay for roads and all the other needs that we have in the Province.

As to the comments; the only comments I am going to make in connection with this, in relation to the questions, because there were a lot of statements - a lot of it, I think, was rhetorical debate - by the hon. members opposite, and I do not think they really need or they expected a response to it. I mean, that is their view of the situation with respect to the government and we can leave it at that. By far, the vast majority of the people of Newfoundland have a diametrically different

MR. MARSHALL: than they have. But on this matter of the so-called indexing of the gasoline tax, Mr. Chairman, the ad valorem aspect of the tax - it is called ad valorem, the hon. gentlemen opposite call it indexing - you know, I would like to point out that all provinces in Canada except Nova Scotia and Alberta, and Alberta has no gasoline tax and no sales tax at all, impose the gasoline and motor fuel taxes on an ad valorem basis. So, you know, we are no different than any other Province of Canada. And I believe, the aspect of the federal tax, itself, is on an ad valorem basis, on an index basis. It is a more effective way to do it and this is a decision which we have made. And it is unfortunate nobody likes taxes. We regret that the taxes in this Province are so high but, as I have said before, the constraints and the demands for monies in the various areas in order to provide the minimal services, and we do not pretend that they are any more than the minimal services, require them to be now furnished with taxes of this nature and unfortunately we have to put on this tax. And we are putting on the tax, as I say, in the same way as they do in all other provinces with the exception of Nova Scotia - we do not count Alberta because they are in the very fortunate position of not having to levy tax. And, of course, in this connection, not that we want to become the Alberta of the East, but the fact of the matter is, that if the hon. gentlemen would support us, as I say again and again, in our thrust for control of the offshore resources so that we will be in a position to get revenues from sources other than taxation, maybe in the future we would be very, very happy to be able to reduce, if not even eliminate, these taxes, Mr. Chairman.

MR. CHAIRMAN (Butt): Shall the resolution carry?
The hon. member for St. Barbe.

MR. BENNETT:

Thank you, Mr. Chairman.

I certainly would like to have a few comments on this all important bill that is before the House of Assembly. The hon. Government House Leader (Mr. Marshall) suggested it is a government decision. Undoubtedly it is a government decision but, Mr. Chairman, I think that every hon. member of the House of Assembly should make comments about a piece of legislation that is so all important to the economy and to the people of this Province.

I feel very strongly, Mr. Chairman, that decisions of this nature - any government should never be afraid to go and face the electorate. Surely goodness there must be other avenues from which dollars can be collected other than jeopardizing the total scope of our industry and our development. And, in my opinion, this is exactly what is happening

MR. T. BENNETT: when you inflict an escalating tax on the very life's blood of the economy of this Province. It seems to me this government is putting the cart before the horse, Mr. Chairman. Every segment of industry and development in this Province will be stymied and is stymied by the infliction of a percentage tax on gasoline and on energy, energy that is so all important to our fishery, to our woods industries, to the mobility of the people in this Province. This government should hang its head in shame! We are so heavily taxed already. It should hang its head in shame to inflict such heavy taxes when the people can hardly stand up beneath the taxation structure that we already have in place. It is easy to see now why the government wants world prices for oil. Mr. Chairman, as the price of oils go up, so goes the tax structure and so the government reaps more from the people of the Province.

Now, Mr. Chairman, I question the wisdom of giving this government any more money from the people of the Province when, in my opinion, they have totally mismanaged what they have been trusted with. Where is all the money that has created a \$3.2 billion deficit for the Province? Where is all the money for the equalization payments from Ottawa? Where is all the money that is being collected in the Province through other forms of taxation such as income tax and the 11 per cent taxes? Where are all of these taxes gone? It takes a lot of money, I will admit, to run Province. It takes a lot of money! But show us the hospitals, Mr. Minister, that you have built since you have been Minister of Health (Mr. House) in this Province. Show us the road construction that this government has done. Show us the high schools. Look, show us the hospitals and the schools and the high-roads and the bridges. Show us the development.

AN HON. MEMBER:

(Inaudible) money to pay for it.

MR. T. BENNETT:

We can easily see the provincial debt.

SOME HON. MEMBERS:

Oh, oh!

MR. T. BENNETT:

Twenty-two percentage inflicted on the price of gasoline. Before this bill was brought in, before the infliction of 22 cents - and I doubt it very much, Mr. Chairman, if the people of the Province are aware of what is happening. We were paying, I think, 27 cents a gallon on gasoline, and if gasoline went to \$5 we still only paid 27 cents a gallon on gasoline. Right now it is hovering around the \$2 mark for gasoline per gallon which means, once it is \$2, basically 44 cents - at 22 per cent it gets to be 44 cents - a gallon going to the treasury of the Province. That is quite an increase in tax structure. And the people of this Province elected a government who led them to believe there would be no increases in taxes, basically. They do not have the nerve, there is no room to increase the tax, that is the S.S.A. 11 per cent tax. Surely, there is no room to increase

MR. BENNETT:

that. And I do not see why we should sneak in the back door with such unfair taxes as 22 per cent on gasoline. And I think, Mr. Chairman, every hon. gentleman, every hon. person in this House of Assembly and, indeed, anybody who has any knowledge of development, surely should recognize what an escalating cost for energy means. When a man is doing up estimates to build an apartment house, when he is doing up estimates to build a longliner for fishing, the cost of operation has to be taken into effect. It has to be budgeted for. With the high interest on money, plus the escalating cost of energy, plus the escalating and unfair taxation structures now we are entering into, it is amazing to me that we can survive at all. And I do not believe for one minute, Mr. Chairman, that the people of this Province realize what is happening.

I would like to see any government go to the people with some of the legislation that has been brought to this House of Assembly in the short time that I have been here. The short time that I have been in here has been a real eye-opener in the way that people are abused with their monies, and the way they have to support a government that do not know how to handle their funds.

People are screaming for water systems, no money. Screaming for improved roads, better schools. We need better schools, we need better roads. But surely goodness we cannot kill the goose that lays the golden egg which is industry, and industry has to have energy. And we are killing industry, the fishing boat. Industry, generally, is suffering because of the high cost of operating and this government is adding insult to injury. And they do not know what they are doing. They really do not know what they are doing.

MR. BENNETT: I have travelled in countries where, if you are about to develop any kind of an industry, the government of that country would favour the entrepreneur by giving him a tax break. Well, that is not the case with this government. If you are ambitious and want to get going into any kind of a development, any kind of a business, the government says, oh, you are going to make a few bucks, we will nail you. And you keep industry down and you keep entrepreneurs down. You will not allow them to develop so they can create employment.

And it is the system that has been inflicted upon the people and it is the government that call themselves Progressive Conservatives. They call themselves Progressive Conservatives and I wonder - I think they have certainly changed the meaning of the banner under which they administrate. They are certainly not progressive. I do not see them being very conservative when it comes to their own spending. I see them being conservative when it comes to building schools and hospitals and highways and things for the development of industry and benefit of the Province generally. They are conservative then. But when it comes to buying new airplanes, like my hon. colleague is suggesting, there is no sign of being conservative then.

MR. POWER: How many have we brought in?

MR. NEARY: How many what have you brought in, how many aircraft? You are in the process now of negotiating for a jet.

MR. BENNETT: Mr. Chairman, the hon. Minister of Lands and Forests (C. Power) should be aware that where there is smoke there is fire usually, and we have bombers to take care of it.

So, let us hope the government is not about to be spending extra dollars that they have to collect

MR. BENNETT: from the people of the Province to buy new airplanes, let us make do. If you are a conservative government, make do with some of the things that you have. If you are a progressive government, prove it to the people that you are progressive. Spend some of the money that you have already collected from equalization, some of the money that is being collected from the already existing tax structure.

MR. BENNETT: The adverse effect, Mr. Chairman, of 22 per cent can be astounding. When you think of air travel and some of the bigger motor cars we have on the roads today, that we have not yet had an opportunity to get rid of, the long distances between communities, and most certainly the long distance between St. John's, the capital, and the rest of the Province when people want to visit the capital city, when they come even on government business or when they come on community business or when they come on their own business ventures, all this escalating of costs makes these people stay home, causes them to stay home, slows them down. I wish the government, Mr. Chairman, would have more compassion for the people of this Province. Surely, goodness, there has to be a better way, a more exposed manner in which people are expected to contribute to the Province's spending. We need money, surely, but the hon. gentleman who spoke - I think it may have been the hon. the House Leader (Mr. Marshall) - suggested something again about revenue from offshore. Well, Mr. Chairman, if we have not been able to manage what we have already received in taxation from our people and from Ottawa and from loans, if we have not been able to manage that any better than to find ourselves into nearly \$6,000 per capita provincial debt, if we have not been able to manage that any better than to plunge ourselves into such an unrecoverable debt, I can easily understand why anybody would be reluctant to give the hon. gentlemen any more money from any source, be it offshore, equalization payments or federal funding. I really do not believe the people of the Province realize and understand the position this Province is in. And most of it, Mr. Chairman, has come about in the last ten years, since this new administration took office

MR. BENNETT: and most of the persons who sit in government today were in government more than ten years ago. They were certainly there four years ago, a lot of the gentlemen were. So they have to accept the responsibility. Mr. Chairman, every hon. person in the House of Assembly came to the House of Assembly to work for the benefit of the Province and the people, and I think it is about time we faced reality and told the people of this Province - tell it as it is, tell the people our provincial debt, tell them we are going to be charging 22 per cent or 44 cents on a gallon of gasoline, tell them where our monies have been spent; like the hon. gentleman before me, my colleague, inquiring about government airplane travel, tell the people, and you might stand a chance of serving the people in government in future. But if you do not level with the people of this Province and continually inflict more taxes and more taxes, provide less services and less services, which seems to be the case, what is happening today, there are less services being provided, less and less and less services, more and more and more taxes, less and less employment, less job opportunities. People have to leave the Province looking for work. That is a fact of life. I represent one of the highest unemployed areas of the Province on the Northern Peninsula.

MR. BENNETT: In the off season, Mr. Chairman, if we took away the permanent on the government payroll in my district, if we took these away, which is about one in three persons, every third person is on the government payroll in this Province in one form or another, and in my district if we took away those numbers, and if we were to take a look then at the remaining numbers in my district, after the fishing season, we would have nearly 100 per cent unemployed.

Now, do you want to tell me that increasing the price of gas to the sawmills, and to the farmers for their pick-up trucks, the loggers, the haulers of ore, do you want to tell me that increasing tax in this unfair manner encourages development so we can create employment? It does not increase employment, it slows employment, it kills the opportunity for development. And until you awaken, call a spade a spade, until you awaken and recognize the dilemma that you find yourselves in, until this government recognizes the dilemma and the folly of their ways, Mr. Chairman, they are going to be forever in trouble. There is no way that this Province can ever hope to rise above the dilemma and the escalating unemployment, and the escalating cost of living as long as you continually inflict hidden taxes on people such as you are doing with this gasoline tax. And if the rest of the House of Assembly, especially my colleagues on this side, were of my opinion, we would stay here and talk about this bill until the cows came home.

SOME HON. MEMBERS: Hear, hear!

MR. BENNETT: I would say here for two years. I would never, never, never let it pass. I shall not be able to support it. There is too much at stake, Mr. Chairman. I would like to see this used as a platform for an election, such taxes as this, added to some of the other unfair taxes we find in our communities today, especially in rural Newfoundland where jobs are so limited, opportunities so limited, where

MR. BENNETT: people are still human, still tax-payers, they still need to be mobile.

It may not hurt so much, as the former speaker said, if you live in the city and you can just walk around the corner to your school or to your hospital or to your stadium.

MR. MORGAN: (Inaudible) fish plant LeBlanc stopped you from getting up there.

MR. BENNETT: The hon. Minister of Fisheries (Mr. Morgan) should -

MR. MORGAN: Tell us about that one now.

MR. BENNETT: - be more aware of what he is talking about, and I do not think for one minute the hon. gentleman -

MR. MORGAN: LeBlanc stopped the fish plant.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: LeBlanc stopped it (inaudible).

SOME HON. MEMBERS: Hear, hear!

MR. BENNETT: When the hon. gentleman is finished what he has to say, I will explain. I attended a meeting a few days ago with the hon. Minister of Fisheries (Mr. LeBlanc) from Ottawa, and the hon. Minister of Fisheries has got nothing in this world to do with stopping any fish plant in St. Barbe.

MR. MORGAN: He stopped the DREE assistance.

MR. BENNETT: He has not stopped any DREE assistance. He has no authority to do so. So that just goes to show how little you know of what you are talking about.

MR. NEARY: A point of order, if my colleague will yield?

MR. CHAIRMAN (Butt): A point of order, the hon. member for LaPoile.

MR. NEARY: Mr. Chairman, Your Honour will notice that all afternoon there has been nothing but harmony and sweetness and light in the House, no nastiness except during the Oral Question Period when we were getting answers from the President of the Council (Mr. Marshall), or trying to get answers. But ever since the minister -the Minister of Fisheries (Mr. Morgan) has only been back in the House for two or three minutes and during that two or three minutes, Mr. Chairman, he has continuously broken the rules of this House. Now I ask Your Honour to either whip the hon. gentleman in line, ask him to restrain himself, or name the hon. gentleman.

MR. MORGAN: Mr. Speaker, to the point of order.

MR. CHAIRMAN (Butt): To the point of order, the hon. Minister of Fisheries.

MR. MORGAN: May I comment on the point of order? It is very ironic to say the least that - it seems to me the Opposition wants the government members, and ministers in particular, to be nice to the Opposition in order that -

MR. BENNETT: No, no!

MR. MORGAN: - they may speak in debate, to their own accord to get the House closed. A few minutes ago the House Leader from the Opposition walked over to our common room and said the same thing, 'Do not be getting up bailiwicking our members now, do not be attacking our members on our side!'

MR. YOUNG: Who said that? Who said that?

MR. MORGAN: The Opposition Leader a few minutes ago from the Opposition. Mr. -

MR. STIRLING: A point of order.

MR. MORGAN: I am on a point of order, Mr. Chairman, I am on a point of order.

SOME HON. MEMBERS: Oh, oh!

June 25, 1981

Tape 2808

PK - 4

MR. CHAIRMAN (Butt):

Order, please!

MR. STIRLING:

A point of privilege, Mr.

Chairman.

MR. CHAIRMAN:

A point of privilege.

The hon. Leader of the Opposition.

MR. STIRLING:

The minister said that the

Leader of the Opposition went across and made some comment. I never made any comment this afternoon.

MR. MORGAN:

The Opposition House Leader.

MR. STIRLING:

Well, then, be correct.

SOME HON. MEMBERS:

Oh, oh!

MR. CHAIRMAN:

Order, please!

MR. MORGAN:

Mr. Chairman, the fact is that

I am not going to sit in the House here and tolerate this kind of dictatorial attitude from the Opposition, that we have to be nice to them, They can attack us all they want, we cannot attack them.

MR. MORGAN: How nonsensical, Mr. Chairman. The fact is that I do not care how long we are here. If we are here all Summer, if we are here until next October, I do not care how long we are here, I am not going to be nice to the Opposition in order for them to make deals with us.

MR. CHAIRMAN (BUTT): Order, please!
I have heard enough submissions to this point of order to rule on it.

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: Order, please! Order!
To that point of order I would remind all hon. members that it is every member's right to be heard in silence in this House.

The hon. member for St. Barbe.

MR. BENNETT: Mr. Chairman, I am glad the Minister of Fisheries (Mr. Chairman) mentioned St. Barbe and Nickersons proposed fish plant. I had the honour and privilege of visiting my district with the federal Minister of Fisheries and I look forward to going up some day with our provincial minister, Mr. Chairman. I look forward to the day when our provincial minister will accompany me into that district so I can explain to him, hopefully, some of the discrepancies -

MR. MORGAN: (Inaudible) in the budget.

MR. BENNETT: Now, Mr. Chairman, do I have to -

MR. CHAIRMAN: Order, please!

MR. BENNETT: I am looking forward to the day, Mr. Chairman, when our hon. Minister of Fisheries, our provincial man will accompany me to my district. It is his obligation and I want to see him in my district.

MR. MORGAN: I was down last Fall, down that way. I was not invited to go there.

MR. BENNETT: So, okay, you can go down there again the Fall. You can go down next Fall

MR. MORGAN: I was not invited there.

MR. BENNETT: You do not need an invitation, I will give it to you any time. You do not need it from the people.

MR. MORGAN: You do not get (inaudible) invitation.

MR. CHAIRMAN (BUTT): Order, please!

MR. BENNETT: Oh, I always have. I belong there, I get every invitation that is going.

However, Mr. Chairman, before I was so rudely interrupted, I had the privilege and the honour to accompany Mr. LeBlanc, the federal Minister of Fisheries, and there were more than 300 fishermen. And, Mr. Chairman, I really expected hostility from the fishermen towards the Minister of Fisheries but they practically embraced the hon. gentleman. He spoke to the group for about, probably twenty minutes, in sort of a preamble in anticipation of questions, being questioned by the fishermen. And he explained the situation as it is now and as it was before Ottawa got rid of all of the foreign effort into our waters, when they introduced the twelve mile limit and then the 200 mile limit.

MR. CHAIRMAN: Order, please!

I regret having to interrupt the hon. member but on behalf of the hon. the Speaker and pursuant to Standing Order 31 (h), it being five o'clock I can inform the House that I have received no notice of motions for debate at five-thirty when a motion to adjourn will be deemed to be before the House.

The hon. member for St. Barbe has about ten minutes.

MR. BENNETT: Mr. Chairman, I, myself have asked many questions in the House of Assembly and I have never been able to get answers. I shall continue to ask the questions and I will tell my constituents I am not getting the answers.

MR. BENNETT: So I am more concerned for the constituents than I am for the record of the House of Assembly.

However, Mr. Chairman, if I appear to be swaying from the bill that is before the House, I would certainly like to explain because this bill relates in a general way to development, development generally. And our prime industry happens to be the fishery. And we were lucky in having our federal Minister of Fisheries visit my district, and we are most anxious to have our provincial minister come up and look at the mess that is on our shore line that has been created by a provincial government's policy. Now, our federal minister, Mr. LeBlanc, explained the situation, he explained the situation as it is and our fishermen were very happy with it and they do understand. One thing they do understand, Mr. Chairman, is that for every fisherman who is in a boat catching fish and bringing - perhaps the minister would like to hear these figures, the Minister of Fisheries (Mr. Morgan). He is probably not aware but for every fisherman who fishes, even at our present level of secondary processing, generates three jobs on the land which is the responsibility of our provincial Minister of Fisheries, basically the responsibility, to support and have proper facilities set up for secondary and thirdly, if you would, processing of our various species of fish.

Now, Mr. Chairman, I suggested to our Minister of Fisheries that in the St. Barbe area even the minister was not aware of the great success

MR. BENNETT: that they have accomplished -
MR. THOMS: I cannot hear the hon. member now.
MR. MORGAN: For God's sake, close
(inaudible).

MR. CHAIRMAN (Butt): Order, please! Order, please!
I ask the hon. the Minister of Fisheries (Mr. Morgan) to
restrain himself.

MR. MORGAN: Mr. Chairman, they have no beer
taverns around the bay.

MR. BENNETT: Now, I do not believe that is in
your portfolio, Mr. Minister, not the beer taverns at least.

MR. MORGAN: But here hides Lapoile
(inaudible).

MR. BENNETT: But listen now, Mr. Minister, I
am trying to get a word in.

SOME HON. MEMBERS: Oh, oh!

MR. BENNETT: Look, Mr. Chairman, if the develop-
ment of the fishery of this Province is not of any interest
to the Minister of Fisheries for the Province, it is of major
importance to me and I want to be heard.

SOME HON. MEMBERS: Hear, hear!

MR. BENNETT: So if the hon. minister would be
quiet for a few minutes, I would like to explain something
to him. He probably already knows but I want to reinforce
his knowledge.

MR. MORGAN: You are going to lose the next
election over that.

MR. BENNETT: Well, I do not mind losing. If I
lose the next election I will be laughing, I will not be
right unhappy about it. I will be smiling but I have no fears -

MR. BENNETT: - I have no fears of losing my district, if I want to contest it. However, Mr. Chairman, I was trying to explain the situation with the fishery in my district and I think it relates, basically, to the rest of the Province. If we continue bringing in bills such as we have before us today, there is going to be no development in the fishery, there is going to be no development in anything. The Minister of Fisheries for Ottawa (Mr. R. LeBlanc) made 350 fishermen very happy in his discussions; he answered all their questions; there were no hostilities.

MR. MORGAN: He did not solve any problems.

MR. BENNETT: He is surely working on it and that is more than I can say for this provincial government.

MR. MORGAN: What is he doing?

MR. CHAIRMAN (Butt): Order.

MR. BENNETT: He is working on the problems that we have at the moment, and most of the problems we have, Mr. Chairman, are of a provincial nature. Most of the problems we have with the fishery of this Province is a of a provincial nature and a provincial responsibility. When we come to the time when we cannot blame Ottawa for our own failings, we have very little in the government to discuss. It seems to me that very few of our ministers, Mr. Chairman, have much to talk about when they cannot blame Ottawa. Now, I am anxious to see the fishery develop in the district of St. Barbe, I am anxious to see a fish plant go ahead, I am anxious to see other secondary and, like I said before, thirdly processing facilities established to create employment. And the minister, federally, is taking a real responsible look at his responsibility in the fishery, but I do not see the Minister of Fisheries for the Province taking this same interest and taking the same responsibility.

June 25, 1981

Tape No. 2810

GS - 3

MR. BENNETT: Mr. Chairman, before I sit - and I have very little time left - but before I sit down I would like to - a few more remarks. I will

MR. BENNETT:

have to try to get away from trying to talk to the Minister of Fisheries (Mr. Morgan) because he is not hearing me and I am wasting my time. However, I am appalled that such a bill should come before this House of Assembly, that 22 per cent on gasoline should be inflicted on the people of this Province, where we have such a possibility of escalating prices in gasoline. The higher the price a gallon of gasoline goes, the higher goes the tax structure on that gallon of gas. So when gasoline gets to be \$3 a gallon it is going to be 66 cents more on one gallon. Just imagine, 66 cents provincial tax, which used to be road tax and is not road tax anymore. There will have to be a new name for it. It is certainly not road tax anymore. But 66 cents! And we used to buy it for 66 cents not very many years ago. We were using it, with tax included, for 66 cents; it was being retailed at 66 cents.

So it looks to me like this kind of tax, Mr. Chairman, serves only to plunge this backward Province that we seem to have - everybody suggests that we are behind the times, I am suggesting we are ahead of the times; by being behind in this society we appear to be ahead. But in my opinion, Mr. Chairman, it seems that we are gradually going back to the Dark Ages where we are going to have to use paddles in our fishery again, and our sail boats, our bucksaws instead of our chain saws, we are not going to be able to use our tractors on the farms, as long as we have a government that encourages the escalation of the spiralling cost of living. And there is no other way that they can be more effective in increasing the cost of living than by doing what they are doing with this tax structure on

MR. BENNETT: gasoline, by bringing on 22 percentage points rather than having it based on the gallonage used.

Thank you, Mr. Chairman.

SOME HON. MEMBERS: Hear, hear!

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

MR. NEARY: No, Mr. Chairman.

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

MR. NEARY: Mr. Chairman, I was really disappointed with the President of the Council (Mr. Marshall) speaking on behalf of the Minister of Finance (Dr. Collins) who is out of the Province. I would have expected the hon. gentleman to elaborate on some of the questions and some of the points that have been raised by Opposition spokesmen in connection with this tax. The hon. gentleman just got up shrugging his shoulders and brushed it off, obviously deliberately saying very little about it because they want to slide this bill through the House without it really being brought to the attention of the ordinary people of this Province.

Mr. Chairman, let me repeat again what this bill is doing. This bill is doubling the provincial gasoline tax in this Province. It was, I think, between 27 cents and 29 cents a gallon. Now, with this change of formula, instead of a straight across the board 27 cents a gallon provincial tax

MR. S. NEARY: on gasoline, it is now 22 per cent and on \$2.00 gas that is 44 cents you are paying. The consumers of gasoline are paying, provincial tax in this Province, double what it was three months ago when the budget was brought down, double!

MR. HOUSE: It is not double.

MR. S. NEARY: It is not double. Well, it is pretty close to double.

MR. CALLAN: The Minister of Health (Mr. House) knows.

MR. S. NEARY: Twenty-two per cent of \$2.00 is how much?

MR. CALLAN: Forty-four cents.

MR. S. NEARY: No, it is not 44 cents. It is less than 44 cents but 44 is close enough, to use round figures. So what they are doing, Mr. Chairman, they are doubling the provincial sales tax on gasoline.

MR. STIRLING: It could be even more.

MR. S. NEARY: And they are trying to sneak it through the House, they are trying to slip it through without too much debate, too much comment from the other side. I cannot believe it, Mr. Chairman, I cannot believe there is so little comment from the other side. For instance, one of the questions that we raised in connection with this gasoline tax, one of the real questions that I was hoping to get an answer to was the one I raised about public servants who would now prefer to rent cars, to get a rent-a-car rather than submit expenses. Whatever the mileage is now - How much is the mileage now?

AN HON. MEMBER: Twenty-six.

MR. NEARY: How much?

AN HON. MEMBER: Twenty-six.

MR. S. NEARY: Twenty-six cents a mile - 24 cents a mile. The government's policy on mileage now is 24 cents a mile. In other words, public servants who use their own cars on government business can claim 24 cents a mile. Well rather than do

MR. S. NEARY: that, rather than make a claim for twenty-four cents a mile, I am told that civil servants would now prefer rent-a-car. In other words, they were losing money on the 24 cents because of the increase in the cost of gasoline. And so now they are renting cars and I specifically zeroed in on the Department of Social Services field staff. The field staff in the Department of Social Services, I am told, are now renting cars wholesale. And the cars are not brought back, by the way, at 4.30 in the evening when the field staff who rent these cars are finished with them for the day - and we are on Summer hours now and the public service finish work at 4.30 - they still use the rent-a-cars after hours driving up the mileage and driving up the cost to the taxpayers. So I would have expected the President of the Council (Mr. Marshall) or the Minister of Social Services (Mr. Hickey), who is hovering in the wings somewhere, who got his ear cocked out there somewhere -

AN HON. MEMBER: He is afraid.

MR. S. NEARY: - and the other day - the lowest, Mr. Chairman, the lowest thing I have ever

MR. NEARY:

heard in my nineteen years in the House was the Premier of this Province stooping to the level of going out and condemning a prominent senior member of the Opposition for not spending more time in the House.

MR. POWER: (Inaudible) your challenge (inaudible).

MR. NEARY: Well, are we going to start that mug's game now? Because if we are we could zero in on the Minister of Social Services (Mr. Hickey). But, Mr. Chairman, I am not going to get involved in that, that is a mugs game.

MR. MORGAN: He is in his office trying to help the people.

MR. NEARY: Mr. Chairman, the Minister of Fisheries says he is in his office on behalf of the people. Well, maybe the member for the Strait of Belle Isle (Mr. Roberts) is down in his office on behalf of the people, or maybe he is in Ottawa trying to get a DREE agreement, a road agreement. Maybe he is up there trying to persuade the people in Ottawa to give us a 50/50 deal on roads. The hon. gentleman hinted at it when he came back the other day, but the hon. gentleman may be whistling as he passes the graveyard.

Mr. Chairman, I am not going to get involved in that mug's game of saying this one is in the House a lot more often than this one or this one's attendance is better than this one - that is a mug's game that no member of the House should play. And I thought it was pretty low on the part of the Premier the other day. He was really stuck for something to say when he made a big issue out of that.

AN HON. MEMBER: Small mind.

MR. NEARY: Yes, a buttoned down, small mind, narrow mind.

MR. MORGAN: (Inaudible) your colleague?

MR. NEARY: My colleague will answer the Premier when he is able to get back in his seat from his constituents' business. When he is able to get back he will deal with the Premier.

AN HON. MEMBER: (Inaudible) the member for Stephenville.

MR. NEARY: Well, that is right. I could start up in that end, by the way, and I could work my way down. I could say, 'Where is the member for Stephenville (Mr. Stagg) or I could say, 'What about the new Minister of Transportation (Mr. Dawe) who has the worst attendance record in the House?' The Minister of Social Services (Mr. Hickey) - I could go all the way up and down the line, but I am not going to do it. No, I am not going to fall into that trap.

AN HON. MEMBER: What is the relevancy of that?

MR. NEARY: The relevant point is this - and I am hoping that the Minister of Social Services will give me the answer to the rent-a-car matter that I raised.

SOME HON. MEMBERS: Oh, oh!

MR. MARSHALL: You say it is going to go up double. The tax increase of 1.1 cent and 2.2 cents per litre on gasoline and diesel fuel respectively, not 44 cents a gallon or anything like that.

MR. NEARY: Mr. Chairman, if the hon. gentleman has a contribution to make to this debate, I would suggest that instead of doing it from his seat, which is against the rules of this House, that he stand up and

MR. NEARY: have the courage to debate this bill. Because, Mr. Chairman, whether they like it or not, it is going to get a thorough airing in this House before it becomes law. And the hon. gentleman - you talk about lowering yourself and lowering the decorum of this House, my hon. friend

MR. NEARY: the Opposition House Leader (Mr. Hodder), the next Government House Leader, informs me that the remark that he made in the common room was in response to a question that was put to him by a minister on the other side - a former minister rather. And his response was, when he was asked by the former Minister of Transportation, "What time are we getting out of this so and so place?", he said, 'As soon as you can stop the Minister of Fisheries (Mr. Morgan) from his smear tactics and his dirt and his filth in this House. Now, that is what my colleague said. And the hon. gentleman -

MR. MORGAN: No deal (inaudible).

MR. NEARY: Mr. Chairman, there is no deal, there will be no deal, we are here until the bills are thoroughly debated as they should be debated. We are here until the people's business is adequately taken care of. And, Mr. Chairman, they can get up all they like and make all the snide remarks and they can interrupt all they want, but we are going to see to it that the message goes out as to what is being debated in this House, who is delaying the proceedings of the House.

You know, Mr. Chairman, let me make a statement. We have bills on the Order Paper, the bills have not even been circulated yet. We had three circulated yesterday where notice was given a couple of weeks ago. And we still have bills on the Order Paper that have not been printed, because if they were printed they would be circulated.

MR. MARSHALL: You will get them. Sure we have all Summer.

MR. NEARY: That is right, we do have all Summer. So the hon. gentleman can relax and enjoy himself. And so, Mr. Chairman, to come back to the point that I raised earlier about the rent-a-cars. Is it true - I am asking, if the Minister of Social Services (Mr. Hickey) is within hearing distance of my voice, would he -

MR. STIRLING: No, he is not. He is gone home.

MR. NEARY: He is gone home for the day?

MR. STIRLING: Yes. He could not stand it.

MR. NEARY: Well, then, we will have to let this hang over until tomorrow to get the answer. We will have to let this hang over, Mr. Chairman, until tomorrow. Will he tell us if it is now the policy of his department that instead of certain members of his field staff -

AN HON. MEMBER: He is here now.

MR. NEARY: Oh, he is coming now. The hon. gentleman is wrong again. The Minister of Fisheries (Mr. Morgan) is wrong again as usual. Will the Minister of Social Services (Mr. Hickey) -

MR. MORGAN: I knew he was here but he was working. I knew he was not gone home.

MR. NEARY: Yes.

MR. MORGAN: Obviously you were wrong again as usual, he was not gone home.

MR. NEARY: Yes, the hon. gentleman was working in a horizontal position in the common room with his mouth open snoring. Is that the way he was working?

I want to find out from the hon. gentleman if it is true that field staff in the hon. gentleman's department -

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Chairman, the hon. gentleman seemed to think there is something funny, something funny, something very funny.

MR. MORGAN: (Inaudible).

MR. NEARY: Well, I am asking a very serious question. I am not talking about Orange Lodges that have been converted into taverns.

MR. MORGAN: (Inaudible) bright spot.

MR. NEARY: No, and the hon. gentleman can talk about that all he likes. Let him go out -

MR. MORGAN: At my place (inaudible) glass of milk.

MR. NEARY: - Mr. Chairman, we have -

MR. CHAIRMAN (Butt): Order, please!

MR. NEARY: - often heard, we have often had a lecture from the President of the Council in this House.

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: Order, please!

MR. NEARY: And, Mr. Chairman, how many times have we had a lecture from the President of the Council in this House about people who cannot be in this House to defend themselves? How often have we had that lecture?

MR. HICKEY: A point of order, Mr. Chairman. I do not have all afternoon. The hon. gentleman might think I was in a horizontal position snoring but I was about the people's business in the common room. If he has a question let him ask it and I will answer it. I would like to be on about my business.

MR. NEARY: Mr. Chairman, that point of order is almost as bad as the one that the Minister of Public Works (Mr. Young) raised last week when he got up and said he never, ever had a hole in the seat of his pants.

MR. YOUNG: We are not all manure like you.

MR. NEARY: Listen to the freeloader, Freddie the Freeloader -

MR. SPEAKER (Butt): Order.

MR. NEARY: - used to come over to Bell Island freeloading off us when we were rolling in the chips over there. I can see him now, Mr. Chairman, 'Can I have a snipe? Save me necks.' - Freddie the Freeloader. As funny as the point of order was, Mr. Chairman, I am quite serious -

MR. HICKEY: Come to the point, boy

MR. NEARY: Well, I want to find out -

AN HON. MEMBER: Tell us what the question was.

MR. NEARY: Yes, the question is this. Information has come to us in the Opposition that field staff in the hon. gentleman's department now have a blanket authority to rent cars. Instead of using their own cars and claiming 24 cents a mile, as they were allowed to do previously, the gasoline has gone up so much in costs and so forth that they would prefer to rent cars. What I am trying to find out, if this is the government policy now and if they are allowed to use the cars that they rent after hours or do they have to turn - well, the hon. gentleman can answer.

MR. HICKEY: Mr. Chairman, I am completely unaware of any such policy. Indeed, I would be rather interested in pursuing it to find out more. I have not authorized any such policy and have not stated any such policy. Indeed, I would not approve of any such policy. My staff, surely, are feeling the pinch in terms of the cost of gasoline and maintenance and other expenses, but they have the prerogative of using their own car or using a taxi. The only instruction that has gone out from my office in relation to transportation of my field staff has been to ensure that the one taxi is not given all the

MR. HICKEY: business, but that the business is shared to all the taxis in the area in which they are functioning and operating.

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

MR. NEARY: Well, Mr. Chairman, I will accept the minister's explanation with this provision; did the hon. gentleman check to find out if any of his field staff rented cars in Central Newfoundland or in the Lewisporte area where one of the cars was involved in an accident recently, in or around Lewisporte? I would like for the hon. gentleman to check that out because we have information that leads us to believe that certain government departments, including the hon. gentleman's, are now renting cars. Rather than hiring taxis, rather than using their own vehicles and charging twenty-four cents a mile, we are told that they are now renting cars. And if the hon. gentleman did not approve of it well, then, I am sure the hon. gentleman will be as interested as we are in finding out who did approve these rent-a-cars.

And I look forward tomorrow, because I do not think we are going to finish this motion today, I look forward tomorrow to getting the information from the hon. gentleman.

MR. CHAIRMAN: The hon. Minister of Social Services.

MR. HICKEY: They have information to the effect that a car rented by one of my staff was in an accident?

MR. NEARY: Yes. Yes, after hours in Lewisporte.

MR. HICKEY: I see.

MR. NEARY: Okay?

MR. HICKEY: Okay, I will get the information and get back to you.

MR. NEARY: Now, I am not raising that particular item just to get somebody in dutch, you know. The fact of the matter is that we want to find out if this is policy, because it is happening in other governments departments as well as the hon. gentleman's department.

Mr. Young: In Public Works.

MR. NEARY: In Public Works? Yes, it is happening in Public Works.

AN HON. MEMBER: Ambulances.

MR. NEARY: Pardon?

AN HON. MEMBER: Ambulances.

MR. NEARY: No, not ambulances, I do not want to get into that one. But talking about ambulances by the way, the ambulances are struggling, the school buses - this tax is making it very difficult for school bus operators to function and the Minister of Education (Ms. Verge) has slammed the door in their faces. They wanted a meeting with the Minister of Education there a few weeks ago. After two or three attempts, and once coming to Confederation Building thinking they had an appointment with the minister to discuss an increase in the grants, in the grants for school buses, they discovered that when they got their the cupboard was bare, the minister was not even there.

MR. YOUNG: Are you opposed to taxes.

MR. NEARY: I beg your pardon?

AN HON. MEMBER: You are opposed to taxes. The Opposition are opposed to taxes.

MR. NEARY: Well, we are certainly opposed to a twenty-two cent a gallon provincial gasoline tax. Twenty-two per cent is twenty-two cents for every gallon of gas.

MR. HANCOCK: (Inaudible) every dollar.

MR. NEARY: Yes, that is right. Every dollar rather, twenty-two cents. Of every dollar that consumers spend on gasoline in this Province, twenty-two cents goes into the provincial coffers and that is three times more than is collected by the Government of Canada that the hon. gentleman criticized the other day.

MR. MORGAN: And not one service station in Newfoundland. Not one service station.

MR. STIRLING: (Inaudible) in the Budget.

MR. MORGAN: Four cents a gallon increase by the federal government.

MR. NEARY: In case hon. members cannot use simple arithmetic - I am sure my hon. colleague's constituents know what happened the last time gasoline went up nine cents a gallon, that last increase, nine cents a gallon. That went to help to subsidize oil and gas in Eastern Canada. The federal government collects the tax, passes it back to the consumers, especially in Eastern Canada, to keep down the price of oil. The hon. gentleman is aware of that is he? The Minister of Fisheries (Mr. Morgan) is not aware of it. My hon. friend should be in the Cabinet.

MR. MORGAN: (Inaudible) a few barriers (inaudible). I am aware of (inaudible).

MR. NEARY: The member for Exploits (Mr. Twomey) should be in the Cabinet because the member for Exploits is aware of that fact. The Minister of Fisheries is not aware of it, that the money collected by the Government of Canada, the tax collected by the Government of Canada on gasoline and heating fuel goes back to Eastern Canada threefold, goes back to the consumer in Eastern Canada to keep down the price of oil in Eastern Canada. I mean, even a kindergarten student is aware of that.

AN HON. MEMBER: That is not true.

MR. NEARY: That is not true? That is true. But what happens to the twenty-two cent a gallon provincial tax, 22 per cent, what happens to that? Does that go to help keep down the price of heating fuel in this Province? The last nine cents I started to tell the hon. gentleman, who will be able to tell his constituents now, the last nine cents - in addition to that nine cents, two cents provincial tax went on to the price of a gallon of gas. Was the hon. gentleman aware of that?

MR. MORGAN: (Inaudible) fishermen on your coast now? Tell me about that.

MR. NEARY: Two cents. Nine cents to help keep down the price of oil in Eastern Canada, two cents into the provincial coffers. The hon. gentleman is aware of that. That is twenty-two times nine cents which is two cents a gallon. Right? Am I right?

MR. CALLAN: Yes, that is right.

MR. NEARY: The hon. gentleman is confirming my arithmetic is correct. And every time the price of gasoline goes up from now on, twenty-two per cent of whatever the increase is will go into the provincial coffers. So is it any wonder, Mr. Chairman, that the Minister of Finance (Dr. Collins), the Premier (Mr. Peckford), and the Government of this Province would hope that inflation continues. If inflation continues, the 11 per cent sales tax brings in more revenue to the public Treasury and the provincial gasoline tax brings more revenue into the provincial Treasury. And on that note, Mr. Chairman, it is getting close to five-thirty, I would like to move the adjournment of the debate.

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

MR. SPEAKER (Simms): The hon. the member for
Conception Bay South.

SOME HON. MEMBERS: Oh, oh!

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

MR. CHAIRMAN (Butt): The Committee of the Whole have
considered the matters to them referred, report some
progress and ask leave to sit again.

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

On motion, the House at its rising
adjourned until tomorrow, Friday, June 26, 1981 at
10:00 A.M.