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PRELIMINARY
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TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
3:00 p.m. - 6:00 p.m.
Tuesday, May 19, 1981

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Simms): Order, please!

The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, before we get into the normal Orders of the Day and Question Period, it is with a great deal of sorrow we learn of the recent passing of a prominent gentleman, a long-time distinguished public servant in the person of Mr. Walter Melvill Marshall, father of Mr. William Marshall, House Leader and President of the Council.

Mr. Marshall entered the Public Service in 1935 in the days of the Commission of Government and became Secretary of Finance. He served in that capacity until Confederation in 1949 and was appointed shortly thereafter Deputy Minister of Finance and Comptroller of the Treasury.

Mr. Marshall distinguished himself in many areas of public life, not the least of which was his position as a Commander of the British Empire, an honour conferred upon him in 1949 by King George VI. I am sure that this hon. House joins with me in extending to the family of the late Mr. Marshall our sincere condolences in this their hour of sorrow.

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

MR. STIRLING: Yes, Mr. Speaker, on this side we certainly would like to join with the Premier and his colleagues in extending sympathy to Mr. Marshall and his family.

Mr. Walter Marshall was a distinguished public servant. He served his Province well through the very difficult years when we were first going from being a new and struggling Province. I know his advice to Premier Smallwood was very important and he was one of those Deputy Ministers who established the standard that we now have in the civil service and I think the standard is one of the best in Canada and we certainly want to join with the Premier and his colleagues in

May 19, 1981

Tape No. 1626

SD - 2

MR. STIRLING: extending sympathy to the Marshall family.

MR. SPEAKER (Simms) You have heard the motion. Those in favor 'Aye'.

SOME HON. MEMBERS: 'Aye'.

MR. SPEAKER: Contrary 'Nay'..
Carried.

STATEMENTS BY MINISTERS

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: I am sorry, Mr. Speaker, I am a bit slow off the mark today. That is all the jiggling over the weekend -

AN HON. MEMBER: And the woods.

PREMIER PECKFORD: - and the woods, yes.
Mr. Speaker, I would like to make a statement.

In February 1974 the Government of Canada and the Government of the Province of Newfoundland signed a ten year general development agreement. This agreement was seen as the mechanism through which substantial federal funding would flow to the Province through the Department of Regional Economic Expansion. Specifically it provided the framework through which individual subsidiary agreements dealing with social and economic developments could be undertaken. The objectives of the general development agreement are: (A) to increase the number and

PREMIER PECKFORD:

quality of viable long-term employment opportunities and improve access to those opportunities by the people of Newfoundland and B) to increase opportunities for people to live in the area of their choice with improved real standards of living. At the time of the signing of this agreement, the then federal minister referred to the agreement as an "action pact" and estimated that some \$1 billion would flow to Newfoundland over its ten year lifespan. The main sectors where this action is to take place as defined in the general development agreement are forestry, fishery, agriculture, tourism, ocean science and technology, construction, highways, water and sewer systems, housing, minerals and manufacturing. There is also provision for integrated plans for particular locations.

It will be apparent to the hon. members of the House, Mr. Speaker, that the general development agreement was designed to cover virtually every sector of the Newfoundland economy and to remove bottlenecks which stood in the way of the development of our opportunities. This Province has been and still is a very strong supporter of this agreement as a means of overcoming regional disparities and bringing the level of services for our people up to the standards enjoyed by other Canadians. The problem that we have is not with this agreement nor with the Department of Regional Economic Expansion which has always been receptive to our proposals. Rather the problem is that the Federal Government has failed to provide DREE with the necessary funds and flexibility to meet the joint objectives of the general development agreement. The result of this can be seen in the substantial drop in DREE expenditures and the delays being encountered in signing new agreements.

PREMIER PECKFORD: Since the general development agreement was signed in 1974, a total of nineteen specific subsidiary agreements have been signed. These 19 agreements represent a joint commitment of over \$508 million of which the Federal share amounts to \$440 million and the Province's share \$68 million. Eight of those agreements have been completed while the others are at various stages of implementation. It is interesting to note that between February 1974 and July 1978, a total of sixteen agreements were signed, working out to an average of four per cent. In the three years since then, however, only three agreements have been signed, the latest being Forestry in January 1981. In 1980 no such agreements were signed. This failure to conclude agreements occurred despite the fact that the Province has submitted nine very important initiatives to the Federal Government through DREE. Numerous meetings at the Ministerial level and official level have been held to work out the details but we have been unable to conclude the necessary agreements.

Mr. Speaker, the proposals which have been submitted to the Federal Government are (1) Land Surveying and Mapping, submitted in September 1978; (2) Coastal Labrador, submitted in October 1977 and revised in December, 1979;

PREMIER PECKFORD: (3) Nordco II - September 1979; (4) Corner Brook - October 1977; (5) Pulp and Paper Mill Modernization - December 1979; (6) Highways - May 1980; (7) Institute of Fisheries & Marine Technology - 1977 (Revised June 1980); (8) Industrial Development - June 1980; (9) Minerals Development Agreement - October 1980.

Mr. Speaker, I will be meeting with the hon. Pierre De Bane - I hope I have done justice to his name on pronunciation - in the near future and it is my understanding that the agreements relating to Coastal Labrador and Pulp and Paper Mill Modernization will be ready for signing. Notwithstanding this fact, there will still be a long list of outstanding agreements to be concluded. In addition, several new proposals will be submitted in the near future.

Each of these proposals clearly meet the objectives and strategies set out in the General Development Agreement and represent priority areas which the Province believes should be jointly undertaken by both levels of government through DREE. In many instances these proposed agreements are simply a continuation of previous agreements which have already met the criteria of the General Development Agreement. Therefore, it is very frustrating to try to understand why such agreements cannot be concluded especially since the General Development Agreement still has some three years remaining.

Mr. Speaker, in examining DREE activity it is interesting to note that DREE's budget as a percentage of the national budget has fallen by 33 per cent over the last five years. During the same period the DREE expenditure, as a percentage of our provincial budget, has fallen by 38 per cent. In 1979 DREE expenditures on subsidiary agreements in this Province were about \$70 million. In 1980 these expenditures fell to \$41 million and unless a significant number of agreements are signed almost immediately, it will fall to less than \$30

PREMIER PECKFORD: million in the current fiscal year. These factors clearly indicate that the federal government no longer supports its stated commitment to overcome regional disparities. Again, numerous attempts at the Ministerial and officials levels to obtain answers as to why this is happening have been futile but the facts speak for themselves.

In summary, therefore, Mr. Speaker, hon. members should note that: (1) This Province has been

4535

PREMIER PECKFORD:

and still is a strong supporter of the general development agreement approach as one mechanism for reducing regional disparities. While we recognize that DREE is not, nor indeed can it be, the total answer to this very complex issue, we feel that the joint activities undertaken to date have been instrumental in permitting us to move ahead in many crucial areas much faster than would otherwise have been the case. However, while much has already been accomplished, a great deal more has to be done;

Secondly, this government has consistently and repeatedly made this position known to Ottawa and has continuously sought meetings to discuss our concerns over the future of DREE;

And three, this government has, on numerous occasions, verbally and formally, at the ministerial level and at the officials level, tried to convince the federal government of the urgency to sign new DREE agreements. I am tabling, for the information of hon. members, my most recent letter to the hon. Pierre DeBane, Minister of Regional and Economic Expansion, regarding the necessity of signing various DREE agreements; and

Four, this government will continue to work strenuously towards this objective.

The final decision of each of these agreements, of course, rests with the federal government, not with the Province. All we can do is present well-planned and logical projects and programmes which we feel fall within the mandate of the general development agreement. We can only hope that every member of this House and our representatives in the federal government will assist us in this endeavour.

And I table, Mr. Speaker, as the last piece of correspondence in an ongoing series of

May 19, 1981

Tape No. 1629

NM - 3

PREMIER PECKFORD: agreement until an environmental assessment had been completed. Now that the assessment has been done and is positive, an amendment to this existing agreement can now be done.

"The other two agreements, Land/Surveying and Mapping and a Mineral Development Agreement, represent activities that have been part of DREE Agreements for years and hence present no new analysis or assessment."

4538

PREMIER PECKFORD: "To further indicate the necessity of signing these present agreements before you, let me inform you that two new proposals, one on fisheries and a second on St. John's, will be presented to your department within the next wo months or so.

"May I impress upon you again the gravity of the present situation and solicit your support for the resolution of these problems. Kind personal regards."

Mr. Speaker, I table the statement and the accompanying letter to indicate that this Province is doing all that it can in a reasonable fashion to bring about further DREE agreements in this Province so that we can create more jobs and get on with the business of raising our standard to that of other Canadians.

MR. NEARY: You know you have not done your homework.

MR. SPEAKER (Simms): The hon. Leader of the Opposition has about five and a half minutes approximately.

MR. STIRLING: Thank you very much, Mr. Speaker. In his normal manner in which he attempts to get full support from this side of the House, the Premier has not had the courtesy again to provide me with a copy of his Ministerial Statement. I wonder if in his most private moments when he looks, as he said, about all the money that has been pumped into Newfoundland by DREE and suddenly there are no agreements signed in the last year or two, I wonder if in his most private moments whether or not he wonders that he and his government might be partially at fault? Is there just a possibility since the federal government that signed this in 1974 had a brief change in which the PC federal government took over? And the 1977 agreement that he referred to, I wonder how come that

MR. STIRLING: did not get signed in nine months? I wonder did it have anything to do with him calling Jim McGrath a traitor and a dead loss for Newfoundland? Did it have anything to do with that? I wonder if it is a possibility? Or the fact that he took his then Prime Minister and tried to embarrass him on the steps of the Confederation Building? Or if his President of the Council who said that regardless of who is in Ottawa - just last week the President of the Council speaking as Acting Premier - said regardless of who was in government in Ottawa, whether it has been PC or Liberal, it has only been for the benefit of Ontario and Quebec and we have always been treated badly by a federal government: I wonder if it is possible in those most private moments it occurs to the Premier that his attitude might have something to do with it, the same kind of arrogance that tells every Cabinet minister over there that you can get involved in all of the offshore development companies that you want, you can get involved in all the land development companies that you want just

MR. STIRLING: as long as the Premier has a look at it to see whether there is a conflict of interest?

I wonder if there is a slight possibility that this desperate situation that we are in in Newfoundland with the management of our economy, with the lack of jobs, with the lack of development, is there just the slightest possibility that maybe this government might have something, they might be responsible in some way? The Premier in summing up his statement had the gall again to say, to read a letter given to us for the first time today, to read a letter in which he starts to negotiate with a federal Cabinet minister and said, 'From here it looks as though it is political,' starts off in a way to negotiate in such a way that he does not want an agreement. Is it possible that this Premier is so caught up with the fact that he is on the right side of those people who say, 'Boy, fight for Newfoundland,' that he really does not want an agreement with anybody on anything?

MR. NEARY: Right on!

MR. STIRLING: He does not want an agreement with the teachers, does not want an agreement with NAPE, does not want an agreement with Nova Scotia, does not want an agreement with Quebec, does not want an agreement with the federal government, so he has somebody that he can nail and slash. Is it possible at all that there is the slightest bit of responsibility on behalf of the government?

Now, Mr. Speaker, I wonder why we are seeing this today? I wonder why it is that we are seeing another public release? Why is the timing done today? Why the tabling, I wonder?

MR. NEARY: Because I wrote him the other day, that is why the timing is today. I shook him up the other day.

MR. STIRLING: I wonder if the Premier would do us the courtesy of tabling all the correspondence dealing with

MR. STIRLING: these DREE agreements? Would he table us the copies of all of the submissions that have been made? Or is the Premier in the same context in which he says to his ministers, 'You can do whatever you want to do. We are not bringing in any penalties, we are not bringing in any laws, we are just making the Premier the ultimate person to make the ultimate decision on what is a conflict of interest'? Is it possible that only the Premier is going to select the correspondence that can be tabled? Does the Premier say that we can now go to the federal people and get the same kind of publicity, the same kind of release? Because he knows that that cannot be done. He knows that normal protocol is such that correspondence between the Premier and the federal level is not tabled except when the Premier selects a time to do it.

Now, Mr. Speaker, in three weeks you can fool all of the people, and he did a very good job of doing that. But in two years or three years, surely it is beginning to dawn on people that this government does have the responsibility in their Five Year Plan, Mr. Speaker; the harsh reality is that despite large infusions of federal transfers, the economy continues to be characterized by slow growth, high unemployment and a persistent inability to narrow economic disparities between Newfoundland and the rest of Canada.

MR. STIRLING: Whose fault, Mr. Speaker, whose fault?

The fault of the Government of Newfoundland and Labrador. That is where the responsibility lies, that is their job. If they do not want to do that job then give it up and go to the people and let them have a choice as to who they would like to see govern this Province. They take no initiative, no responsibility and they have given up governing, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER (Simms): Further statements?

ORAL QUESTIONS

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, my question is for the hon. the Premier. In view of the fact that the Premier is so adamant that we own everything inside the 200 mile limit and it now looks like they have found a way to raise the Titanic and bring her ashore, which may turn out to be one of the world's greatest tourist attractions, would the hon. gentleman indicate - and the Titanic is within the 200 mile limit - whether or not Newfoundland is going to lay claim to this valuable tourist resource if and when it is brought to the surface?

MR. MOORES: Hear, hear. A good question.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: I would think that as a lead-off question after a holiday and so on that the Opposition would be able to come up with a more substantive question than that. Seeing that they cannot, we will try to answer things which are perhaps more far reaching. And we have done some research on it and we will be letting the hon. member know in due course as to what the position of the Newfoundland government is on the Titanic because it could be a real boon for development in the Province and we want to ensure that every single piece of development that we can get our hands on to create jobs for Newfoundlanders, to provide revenue for our people is looked

PREMIER PECKFORD: at and we will never overlook the Titanic and we will not overlook the fishery and we will not overlook hydro power, we will not overlook the offshore, we will not overlook forestry, we will not overlook mineral development. Every last microscopic piece of development that we can lay our fingers on we will, Mr. Speaker, for the benefit of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear.

MR. NEARY: Supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, in view of the fact that the people who are interested in bringing the Titanic to the surface and trying to get her ashore are now arranging their financing for this year, finalizing their plans, would the hon. gentleman indicate what steps the government have taken to stake a claim on this valuable - it may turn out to be the world's most valuable tourist attraction. Has the government taken any steps to stake a claim on this? Will they have to get permits from the provincial government before they bring the Titanic up?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: As I indicated to the hon. member, as soon as we are prepared to indicate what our position is as a government we will. There has been a fair amount of research done by a number of our people who are working on the offshore case into this particular, if you will, sidelight to it and as soon as that is completed and we are advised as to what we should do there we will be letting the hon. member know. So all things are possible.

MR. NEARY: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary, the hon. member for LaPoile.

MR. NEARY: Mr. Speaker, would the hon. gentleman indicate if experts and lawyers and so forth have been hired

May 19, 1981

Tape No. 1632

SD - 3

MR. NEARY: to prepare our case in case the matter
has to go before the Supreme

4545

MR. S. NEARY: matter has to go before the Supreme Court of Canada, how far along the road they are in preparing their case? Because, Mr. Speaker, if we do not assert our rights, our legal rights as far as the Titanic is concerned, which is inside the 200 mile limit, then what chance do we have of proving that we own the offshore oil and gas? If we can prove that the Titanic is ours then we might have a good chance of proving that we own oil and gas.

MR. SPEAKER (Simms): The hon. the Premier.

PREMIER PECKFORD: I am not sure if anybody who was listening to the hon. member for LaPoile (Mr. Neary) really heard what he said there then, because they are not necessarily related. Because you can prove or disprove something to do with the Titanic does not necessarily mean that it is linked directly to seabed mining and the ownership of mineral resources on the Continental shelf. But that aside, and to take him on in the malvolio like way in which the hon. member for LaPoile usually asks questions I will respond by indicating that we are going to do all in our power to ensure that we are covered there as we have already done on just about every other issue facing us.

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

MR. L. STIRLING: Mr. Speaker, I had a question for the Minister of Development (Mr. Windsor), who is not here, and it is a much more mundane subject but I will ask it of the Premier. There is announcement from the St. John's Housing Corporation which is to be brought into the Newfoundland and Labrador Housing Corporation, presumably that is still under the Minister of Development. Would the Premier indicate whether or not the advertisement now being run talking about the sale of building lots and showing a building lot at a minimum of twenty-something thousand dollars and running up to \$30,000, does that conform with this government's policy as to how these building lots are to be priced?

MR. SPEAKER (Simms): The hon. the Premier.

PREMIER PECKFORD: I will have to take that as notice, Mr. Speaker, and find out for the hon. Leader of the Opposition (Mr. Stirling) before the House closes this afternoon. On the surface it would seem that it conforms with trying to keep lots as low as we can in the Province even though that seems to be high on first blush. This development has been ongoing for some time. The St. John's Housing Corporation is being accomodated by the Newfoundland and Labrador Housing Corporation, which was another part of the preamble to the Leader of the Opposition's question, but to be specific I will get the details on them and I will take notice of the question, Mr. Speaker.

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

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

MR. L. STIRLING: While the Premier is checking that out, would he indicate whether or not it is the government's policy that these building lots should be sold at a profit or is it his policy that these should be sold at cost?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: The only answer I can give to that, Mr. Speaker, is that the corporations that are handling this matter are corporations which are not permitted to make money; they have to cover their administrative and other costs. But there is to be none except for the contracts that are let. If the Newfoundland and Labrador

PREMIER PECKFORD: Housing Corporation or its subsidiary, St. John's Housing Corporation tender for some servicing for a piece of land on which are going to be lots, obviously the contractor who gets the lowest bid perhaps will make a profit on it, has to, I suppose, in order to keep in the business. But for it to go directly into Newfoundland and Labrador Housing Corporation or St. John's Housing Corporation, of course, they are just trying to cover their administrative and other costs and not to incur any amount of profit so that the lots are sold as cheap as is possible given the system and given that private enterprise must get the contract after the tendering is called.

MR. STIRLING: A supplementary, Mr. Speaker.

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

MR. STIRLING: Mr. Speaker, that is what I am trying to get at. Is the Premier saying that it is the government's policy that the lots being sold by Newfoundland and Labrador Housing Corporation, the actual sale price to the individual, the sale price to the people who buy the lots, of course it has to include costs, but are you saying that those building lots as far as the government is concerned are not to be sold at a profit to the Corporation?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Yes, Mr. Speaker. It is supposed to cover just their own costs and not as has happened in Newtown and other places where Newfoundland and Labrador Housing Corporation have been involved. So it is not to have a profit incurred there. It is just to cover the costs and to cover the cost of the servicing and so on.

MR. STIRLING: A supplementary, Mr. Speaker.

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

MR. STIRLING: Then as far as the Premier is concerned, that the direction to the government is not that they should charge what the market will bear, that it is the intention of the government to put them on the market at cost plus whatever their administration costs are but in no circumstances for them to make a profit?

MR. SPEAKER (Simms): The hon. the Premier.

PREMIER PECKFORD: That is the way the Corporation has been working for quite some time, Mr. Speaker, and that is the way it is working now.

MR. TULK: Mr. Speaker.

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

MR. TULK: Mr. Speaker, I have a question for the President of the Treasury Board and it concerns the negotiations presently going on with Local 7107, of the Air Services Division of the Department of Transportation. I wonder if the President of the Treasury Board could tell us what the status of negotiations are at the present time?

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

DR. COLLINS: Mr. Speaker, that bargaining unit has been in a position to strike for some time, which they have not done. And there are negotiations still going on and we think that they are proceeding as satisfactorily as one would wish at this point in time. We hope that they will be concluded in short order but I cannot say when obviously.

MR. TULK: A supplementary, Mr. Speaker.

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

MR. TULK: Mr. Speaker, there are statements floating around that the engineers, mechanics and pilots and so on that are covered by that local may very well be waiting until we have a large forest fire in the Province before withdrawing their services. Could the minister confirm whether indeed those

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

DR. COLLINS: Mr. Speaker, I would not want to comment on that. I certainly would not want to comment on that in a positive fashion. I certainly have a greater regard for their professionalism, if you want to use that term, that they would not put the forests of this Province at great hazard in that way. I think that the negotiations that are going on are meaningful negotiations; both sides are looking on them in the proper light. I do not think there is any threat hanging over anyone's head and I think that our people out there take their responsibilities to heart and I do not think they would unnecessarily put any part of the natural resources of this Province in any sort of hazard.

MR. TULK: Mr. Speaker, a supplementary.

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

MR. TULK: Mr. Speaker, I wonder if the minister would perhaps undertake to check into the state of affairs with regard to rumours of an impending breakdown perhaps in negotiations and perhaps a withdrawal of services? And I wonder if he could inform the House if indeed there are any contingency plans in case such a withdrawal of services does take place?

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

DR. COLLINS: Mr. Speaker, it would help me a great deal if the hon. member wishes me to do something like that, if he would tell me the source of his rumours.

MR. WARREN: Oh, sure!

DR. COLLINS: I would like him to give me specifics on that.

SOME HON. MEMBERS: Oh, oh!

DR. COLLINS: I do not wish to become party to causing spurious rumours to get going.

MR. TULK: It is not spurious.

DR. COLLINS: If they are not spurious, the hon. member, in private if he wishes, can give me the names of the people who are supposed to be initiating these rumours.

Now, as far as contingency plans go-

MR. TULK: Check with the department.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

DR. COLLINS: As far as contingency plans go, the Department of Lands and Forests has contingency plans all the time to take care of the hazards that come with the Summer months in this Province and those contingency plans do include contact with other provinces which have facilities and equipment to take care of forest fire fighting.

MR. WARREN: Mr. Speaker.

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

MR. WARREN: Mr. Speaker, my question is for the Minister of Forest Resources and Lands. Could the minister tell the hon. House how many water bombers his department will have standing by this Summer and where will the water bombers be located?

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

MR. POWER: Mr. Speaker, as everyone in the Province knows, we lost one of our water bombers in an accident last year. We now have six water bombers which will be on stand-by. They will be stationed throughout the Province, I believe at Gander, Stephenville, Goose Bay and in St. John's.

MR. WARREN: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. the member for Torngat Mountains.

MR. WARREN: Mr. Speaker, I hear by means of

May 19, 1981

Tape 1635

EC - 3

MR. WARREN: the media during the weekend that due to the crash of one of the water bombers in Quebec last year that this year there will be only one water bomber on stand-by in Labrador. Is this a correct report by the media?

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

MR. TULK: Say yes.

4553

MR. POWER: Mr. Speaker, certainly I am not aware of that. We will displace our water bombers throughout Labrador, and throughout Newfoundland, certainly on a regular basis and as the need develops we will transfer water bombers from any part of the Province. If there are two water bombers in Labrador on any given day and there happens to be a tragic forest fire situation beginning in the Province, a forest fire developing, then we will simply take the water bombers from Labrador, bring them back to the Island, we will station them on the Island, and if there is a bad forest fire situation in Labrador we will simply transfer them to Labrador.

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

MR. WARREN: Mr. Speaker, I will try to rephrase my question.

Could the minister advise the hon. House if there will be one or two water bombers stationed in Happy Valley-Goose Bay this year?

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

MR. POWER: Mr. Speaker, as I understand it there will be two. I will certainly take the question as notice if the member wants and come back with the exact details either later this afternoon or tomorrow, exactly where in the Province the water bombers will be stationed.

As I understand it, there were two water bombers in Labrador for a period of time last year and when the forest fire hazard index is low in Labrador we bring the water bombers back to the Province, and we transfer it the same way vice versa back from the Island to Labrador if the forest fire hazard is high in Labrador and low on the Island.

MR. SPEAKER (Simms):
St. Barbe.

The hon. member for

MR. BENNETT:

Thank you, Mr. Speaker.

My question is to the Minister of Rural Development. I understand, Mr. Speaker, in July of 1979 some \$67,050 was awarded to the Newfoundland and Labrador Rural Development Council to do a study related to rural development in the 1980s for Newfoundland. Would the minister like to tell the House what happened to any prospective reports that might be forthcoming, if indeed there has been any reports or any activities?

MR. SPEAKER:

The hon. Minister of Rural, Agricultural and Northern Development.

MR. GOUDIE:

Mr. Speaker, yes, the contract was awarded for that study. I am trying to recall, I do not think the study has reached my desk yet. What I prefer to do is take the question as notice, get the information and then come back. But I have not seen that particular study to this point in time.

MR. SPEAKER:

The hon. member for St. Barbe on a supplementary.

MR. BENNETT:

A supplementary, Mr. Speaker. Well my information, Mr. Speaker, is that \$67,050 was placed in a bank deposit and it is sitting in a bank. And I take interest in this especially because the people in my district particularly, in a rural district, are being denied dollars to develop industry and create employment, while \$67,000 from my information, if I am correct. So I would certainly like for the minister to table any information that might be available and hopefully this money is being used and if it is not being used then I would like most certainly to see it turned loose so it can be used.

May 19, 1981

Tape No. 1636

NM - 3

MR. SPEAKER (Simms):

The hon. Minister of Rural, Agricultural and Northern Development.

MR. GOUDIE:

Mr. Speaker, I am not aware of any \$67,000 that has been put in the bank in this city - is that what the hon. member is suggesting? In this city?

MR. WARREN:

A couple of years ago.

MR. GOUDIE:

Again I will have to take notice. I do not know of any \$67,000 tied up when it was earmarked for a study and not being used at all. I will come back with the information, Mr. Speaker.

4556

MR. SPEAKER (Simms):

The hon. member for

Windsor-Buchans.

MR. FLIGHT:

Thank you, Mr. Speaker.

My question is to the Minister of Forestry (Mr. Power) with regard to the spray programme coming up. The minister has certainly received some correspondence from concerned town councils or people responsible for providing water to municipalities and I know in one specific correspondence he was requested, he was told that the buffer zone that he was allowing around a certain water supply was not big enough and that he was requested to use Bt in that particular area. By the way, I might say that I am talking about one of the biggest populated areas in the Province, the Grand Falls- Windsor- Bishop Falls watershed. Has the minister made a decision on that issue yet? Will he be using Bt in the area that surrounds the Grand Falls - Windsor - Bishop Falls water supply?

MR. SPEAKER:

The hon. Minister of

Forest Resources and Lands.

MR. POWER:

Mr. Speaker, as it relates

to our spray programme, which will begin sometime I guess as the first week or the second week of June comes along, we have taken into account the requests of many of the town councils throughout the Province as it relates to what they said to the Royal Commission and what they have said directly to our department. We have followed all the recommendations that the Royal Commission laid down. Last week I did receive some correspondence from, I believe, the Exploits Valley Regional Water Supply Committee asking us to use more Bt and less matacil in their areas. That is under active consideration by the senior officials in my department. We certainly intend, if at all practical and possible, on one hand to protect the forests and on the

MR. POWER: hand to make sure that the water supplies of the communities are not endangered in any way. So we have not made a decision on it yet simply because it has not come back to my desk but I imagine it will be there very shortly and we will certainly entertain the requests of the water supply committee as well as is humanly possible so to do.

MR. FLIGHT: A supplementary.

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

MR. FLIGHT: The minister will recall, since he recalls the correspondence, that the question was asked-and the people writing that letter, the authors of that particular letter are very responsible and very knowledgeable people in the Central Newfoundland area - they asked why that particular area was being sprayed? The fact that the area surrounding their water supply was being sprayed did not make sense to them and they pointed out, as the minister will recall, the reasons why they felt there was no need of spraying that particular area anyway. Would the minister indicate why in his judgement it is necessary to spray the timber around the Grand Falls-Windsor-Bishop Falls water supply?

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

MR. POWER: Mr. Speaker, as you are aware and as all members of the House are aware, we undertook a fairly detailed systematic approach to finding out what forests in the Province should be sprayed with matacil or Bt to protect the forest resource. That included a detailed, I suppose, analysis of the Royal Commission's report and also a detailed analysis of the harvesting priorities for the companies for the next several years as to what would be harvested and what was in bad need of protection. Obviously

May 19, 1981

Tape No. 1637

AH-3

MR. POWER: from having gone through that process it was decided by the committees involved that the area around the Grand Falls water supply system was an area of in one case high priority forest and in the other case one that was under extreme attack by the budworm. I assume the decision was made to recommend that to our committee, our final committee in our department, for spraying. Certainly if those reasons are not known to the Exploits Valley Regional Water Supply Committee that may be one of the reasons they are expressing so much concern. I am sure that when I undertake to respond to those people tomorrow that we will lay down the reasons why that area was important to be sprayed and also certainly, I suppose, the way that we can accommodate their requests for more PT and less matacil in that given area.

MR. FLIGHT:

A final supplementary.

4559

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

MR. FLIGHT: As the minister knows, Mr. Speaker, we are now less than two or three weeks away from the start of the spray programme in this Province, that is if we are going to spray in the prime time, in the time when we catch the budworm in incubation, that kind of thing. Would the minister undertake to tell the House why it is that less than three weeks away from a spray programme, we have not identified yet the areas that we will spray with Bt or with matacil? We have not identified the watersheds that will be protected, the buffer zones or what areas have been designated for Bt. And I recall the minister saying, not long ago, that the reason Bt would be used in certain areas was because there was less danger of damaging or poisoning water supplies or less environmental damage. And it seems funny to me, Mr. Speaker, that a few weeks before we get into a full spray programme we have not yet identified the areas that will be used with Bt that will be sprayed with Bt.

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

MR. POWER: Mr. Speaker, I have to take exception to that extremely simplistic approach to how we determine what forest resources in this Province are to be sprayed. We established a Royal Commission which announced its decision - or we as government announced its decision or recommendations to us in January and February. We announced the blocks that we were proposing to spray. We went and met with many of the councils in the Province who expressed an interest in meeting with us because of the water supply system, The reason that if there is any dispute or any uncertainty as to what areas might be sprayed with Bt or matacil in the Grand Falls-Exploits Valley region is because only last week they have made their requests known to us to spray less in that given area. It certainly has nothing to be done with how the department or the government have approached

MR. POWER: the problem that we have at hand. We went and met with many of the councils in Central and Western parts of Newfoundland. We told them what we were going to do, and in many cases it was accepted by them as a rational, sane and sensible approach. We have even gone further in the Department of the Environment to make sure that the water intake of all of those communities will be measured every day as opposed to every second day, as was recommended by the Royal Commission.

So this government has done everything that is humanly possible to do to make sure that the spray programme comes off as effectively and as efficiently as it possibly can and with the agreement of the majority of Newfoundlanders.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: I have a question for the hon. the Premier and it has to do with the code of ethics that he brought in the other day for ministers. Does that include the use or the misuse or abuse of government helicopters and government aircraft? I am told that on Saturday, the Minister of Fisheries (J. Morgan), on a routine visit to his district, took the government helicopter, went down to Bonavista, took his campaign man up for a joy ride for an hour, or an hour and a half, then came back down and consulted with the mayor and then got back aboard the helicopter and took off. It was a purely political visit. Would the hon. gentleman indicate if this type of activity would be included in his code of ethics that he introduced for ministers in the House the other day?

MR. SPEAKER (Simms): The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, that is unfair of the member for LaPoile (Mr. Neary). The Minister of Fisheries (Mr. Morgan) is not in his chair. The hon. member for LaPoile could have waited until the Minister of Fisheries was present to ask the question to the Minister of Fisheries. Does the hon. member for LaPoile know how many other meetings the Minister of Fisheries had that day in his constituency or in other constituencies dealing with his department? You know, these are questions that have to be answered. And to just come out simplistically and to blanketly try to accuse the Minister of Fisheries of doing something supposedly unethical is completely wrong. Does the member for LaPoile know exactly everywhere the Minister of Fisheries went that day? Obviously the Minister of Fisheries -

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: - as the Minister of Fisheries gets around the Province as much as he can to see as many fishermen as he can and all the rest of it and, you know, to just blatantly accuse a minister of misusing a helicopter without knowing all the information is completely wrong. And so I think, obviously, the Opposition, as can be seen by anybody in the gallery today, has very few questions to ask, so throw as many red herrings at the government as you can because they cannot ask questions dealing with substantive issues because we have all the answers.

SOME HON. MEMBERS: Hear, hear.

MR. NEARY: Supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I consider that to be a very, very important question because this is quite an expensive contract that Sealand Helicopters have with this government that is being paid for by the taxpayers of this Province. And I am sure the taxpayers would welcome questions

MR. NEARY: involving the use of the government helicopters and the government aircraft. Mr. Speaker, it is not my fault the Minister of Fisheries (Mr. Morgan) is not in the House today. He told us the other day he was in Ottawa when the meeting took place in Bonavista, when in actual fact he returned to the Province that afternoon, came back and was in Newfoundland when that meeting was taking place in Bonavista. But is it right? I am asking the Premier to give the House information, I am making no charges or accusations, I am asking the hon. gentleman to give the House the information to provide us with the logs in connection with the Minister of Fisheries' use of the government helicopter on Saturday afternoon. I know he spent the whole afternoon in Bonavista, purely a political job, a routine visit to his district. Is this the policy of the government to allow members the use of the government aircraft and helicopters to visit their district on a routine visit?

MR. SPEAKER (Simms): The hon. the Premier.

PREMIER PECKFORD: The hon. member for LaPoile knows the answer to that question. Because he was not making hay with his first question, he had to insert then something new that had not been known in his original question. If he was that concerned about it why did not the hon. member for LaPoile stick to it? He had to then insert that the Minister of Fisheries was back in the Province the same time that the meeting was on in Bonavista.

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: Obviously, the hon. member for LaPoile is trying to dance all over the place to try to find some way in which he can accuse or find something at fault with the Minister of Fisheries. The Minister of Fisheries can answer for himself and when he returns to this House he will take care of the member for LaPoile.

MR. NEARY: Supplementary, Mr. Speaker.

MR. SPEAKER (Simms):

for LaPoile.

Supplementary, the hon. member

MR. NEARY:

Well, Mr. Speaker, I am not asking the Minister of Fisheries (Mr. Morgan) any questions in connection with it, I am asking for Mr. Clean to find out about the use of his helicopter. What is the point of my asking the Minister of Fisheries? The Minister of Fisheries is not going to tell us why he took the helicopter, I want the Premier to investigate this. Will the Premier undertake to find out what the Minister of Fisheries was doing with the helicopter on Saturday afternoon and why he took his campaign chairman

MR. NEARY:

Bonavista for a jaunt out of the community for an hour or an hour and a half and then brought him back in again? Does that have to do with the Department of Fisheries in this Province? I am asking the hon. gentleman seriously to take a hard look at it, to look into it, to find out if it was justified, and if it was not justified to send the Minister of Fisheries (Mr. Morgan) a bill for the use of that helicopter. He could have got down in his car for \$25 and it probably cost the taxpayers \$2,500 to send him down to Bonavista that day.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I thank the member for LaPoile (Mr. Neary) for his ongoing adjectives about me. I appreciate it very much. And as we have known one another for the last five or six years, I am sure he will continue to apply such adjectives to me as we go on together in this hon. House as parliamentarians to do what we can for the people of this Province.

It might interest the hon. the member for LaPoile to know that he is making a number of assumptions in his questions which might not necessarily be valid and I would ask him to reconsider what he has just asked, as perhaps the kinds of hints that he has been throwing across the floor about the Minister of Fisheries might not be valid at all.

MR. STIRLING: Mr. Speaker.

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

MR. STIRLING: A supplementary, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. STIRLING: Mr. Speaker, I thought that this was a relatively innocent question. Is this an indication of the kind of standard that the Premier is going to use? Because he was the one who brought into this House this new conflict of interest which was going to cure all the problems.

Two questions: one, does it make any difference to the Premier whether or not, in fact, the Minister of Fisheries (Mr. Morgan) could say publicly that he was out of the Province at the time that that meeting was held? Does it make any difference whether he was lying or not lying? And secondly, have you set down a standard for ministers to use that will distinguish between political use of a helicopter and departmental use of a helicopter? Have those standards been clearly set down?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Yes, Mr. Speaker, they have been clearly set down and the Minister of Fisheries did not hire a helicopter on Saturday.

MR. NEARY: But he was in Bonavista.

PREMIER PECKFORD: He was in Bonavista but he was not onboard a helicopter.

MR. NEARY: I beg your pardon, he was there with a Sealand Helicopter.

PREMIER PECKFORD: That is right, and the Minister responsible for Historic Resources was there on departmental business, who happened to hire the helicopter.

MR. NEARY: Oh, I see.

PREMIER PECKFORD: And that was on departmental business, not on political business, to answer the Leader of the Opposition.

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

MR. NEARY: Mr. Speaker, now we are getting somewhere. The hon. gentleman -

MR. SPEAKER (Simms):

Order, please!

The hon. the member for Bellevue.

MR. CALLAN:

I will yield.

MR. SPEAKER:

The hon. the member for LaPoile.

MR. NEARY:

The hon. gentleman is giving us now little bits and pieces of information. We will eventually get at the truth here. The campaign chairman of the Minister of Fisheries, the member for Bonavista South (Mr. Morgan) has nothing to do with the Department of Fisheries - nothing to do with historic sites or objects, well, not at the moment anyway. Now, why was it that the Minister of Fisheries decided to take his campaign chairman on a little jaunt? What did that have to do with it? Could the hon. gentleman relate that to some kind of government business?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Now, of course, we are getting there, Mr. Speaker, are we not? That is why I mentioned to the member for LaPoile (Mr. Neary) about his questions because perhaps his questions were all

PREMIER PECKFORD:

he should be careful about his questions because perhaps his questions were all for naught, that he was chasing little rainbows that did not exist and now we find that after he has wasted all this time in Question Period, that the whole question of whether the Minister of Fisheries (Mr. Morgan) hired the helicopter in the beginning is for naught, it is just gone up in hot air, gone up in smoke.

MR. NEARY:

Oh, no, it is not.

PREMIER PECKFORD:

Because the Minister of Fisheries (Mr. Morgan) did not hire the helicopter in the beginning, and there is a policy that the helicopters and air services are used for departmental and government business.

MR. NEARY:

It is collusion between two ministers. But what about the campaign manager? Why did he go?

MR. SPEAKER (Simms):

We have time for a final supplementary.

The hon. Leader of the Opposition.

MR. STIRLING:

Yes, Mr. Speaker, I still would like the Premier to answer the question whether or not it really makes any difference to him, whether the fact that the minister went out of this House, who is not in the House, said outside the House that we had misled the people because he was out of the Province at the time, does it make any difference to the Premier whether or not a minister is telling the truth or not?

And secondly, how do you distinguish between the political use of an aircraft? For example, the information which you just got you did not have in the beginning, is that how quickly the standards can change?

MR. NEARY:

When it suits him.

PREMIER PECKFORD: The first part of the question was insulting. I do not intend to answer it. The hon. Leader of the Opposition knows as well as all hon. members that we value the truth here to the utmost and as much as any hon. member does (inaudible) to see that things are done properly. I will stand on my record on that and I hope the Leader of the Opposition stands on his. And I hope the member for LaPoile (Mr. Neary) stands on his. I hope the member for Port au Port (Mr. Hodder) stands on his.

And as far as the use of government aircraft goes, it is done according to government business, obviously; it has to relate to the department, it has to relate to government business so that the taxpayers are being well served. That is the practice. That is the policy. And we are proud of it.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Simms): has expired.

The time for Oral Questions

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES:

MR. SPEAKER: and Energy.

The hon. Minister of Mines

SOME HON. MEMBERS:

Order, please!

MR. BARRY:

Mr. Speaker, I have here a report which is required to be filed under the Mineral Act for the period April 1st., 1980 to March 31st., 1981. There are copies available for hon. members and for the press.

MR. SPEAKER:

Further reports?

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN:

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

(Inaudible)

besides how fair we are and how we try to spend the taxpayers money reasonably and honestly at all times that we can, there was a question asked in Question Period a few minutes ago about

May 19, 1981

Tape No. 1641

NM - 3

PREMIER PECKFORD:

Newfoundland and Labrador

Housing, but just to show how efficient we are now, besides how honest we are, the lots, and the way Newfoundland and Labrador Housing operates, they usually build in a nine to ten per cent primarily in those areas of development where the servicing has not been completed and they have to do a guesstimate on how much the paving would cost afterwards. So

4570

PREMIER PECKFORD: is a maximum of
10 per cent built in to handle those -

MR. STIRLING: Profit.

PREMIER PECKFORD: No, no, not profit
I have that checked out, they are not allowed.

But when there is additional work to be done with that development which is part of the sales effort, for example, paving and so on, a 10 per cent figure is taken. Sometimes they lose even then because of the way inflation and escalation goes for paving and asphalt and all the rest of it. And that is what is happening in the Cowan Heights development, that there is some paving to be done in the next couple of years on some of the lots and some of the streets when they are fully sold and that will be incurred by the Corporation at that point in time in the future so that in order to cover that they build in a 10 per cent. Outside of that, none; everything is done at cost. That is the answer to the question the Leader of the Opposition (Mr. Stirling) asked.

MR. SPEAKER (Simms): Further answers to
questions?

MR. OTTENHEIMER: Mr. Speaker.

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

MR. OTTENHEIMER: Mr. Speaker, I would like
to table the answer to a question on the Order Paper of
May 4.

MR. SPEAKER: Further Answers to Questions
for which Notice has been Given?

DR. COLLINS: Mr. Speaker.

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

DR. COLLINS: Mr. Speaker, I wish to
table the answer to question number 63 of May 12.

MR. SPEAKER (Simms): Presenting Petitions.
MR. BARRY: Mr. Speaker.
MR. SPEAKER: The hon. the Minister of
Mines and Energy.
MR. BARRY: Mr. Speaker, I wonder if
by leave we could revert back to Notices of Motion -
MR. SPEAKER: Is there agreement to
revert to Notices?
MR. BARRY: - for three bills?
MR. SPEAKER: Agreed?
SOME HON. MEMBERS: Agreed.
MR. SPEAKER: Agreed.
The hon. the Minister of
Mines and Energy.

MR. BARRY: Mr. Speaker, I give
notice I will on tomorrow ask leave to introduce a bill
entitled, "An Act To Ratify, Confirm And Adopt An Amending
Agreement Entered Into Between Government And Lower
Churchill Development Corporation Limited".

Mr. Speaker, I also give
notice I will on tomorrow ask leave to introduce a bill
entitled, "An Act To Amend The Newfoundland And Labrador
Hydro Act, 1975".

And, Mr. Speaker, I also
give notice I will on tomorrow ask leave to introduce a
bill entitled, "An Act To Amend The Labrador Lands
Reservation Act".

ORDERS OF THE DAY

MR. OTTENHEIMER: Order 2, Committee of
Supply.

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

COMMITTEE OF SUPPLY

MR. CHAIRMAN(Butt):

Order, please!

When the Committee last met we were discussing Head 1, Consolidated Fund Services, and most of the subheads there are statutory. The amount of time remaining in Committee is five hours and thirty-one minutes.

MR. NEARY:

Mr. Chairman, the last

time we dealt

4573

MR. S. NEARY: with this heading, Consolidated Fund Services -

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

MR. S. NEARY: - we talked quite a bit about the provincial debt which, this year, will reach \$3.2 billion, \$3,200,000,000.

Now, Mr. Chairman, if you take a population in Newfoundland of 575,000, which I believe is a bit high at the moment - I enquired about it this morning; I am told the population of Newfoundland is 575,000 at the present time - if you divide that into our provincial debt you will discover much to your amazement that every man, woman and child in Newfoundland has a \$5,600 debt hanging around his neck, \$3.2 billion divided by 575,000 - the population of Newfoundland - will show that every man, woman and child in this Province owes \$5,600, which makes our per capita debt the highest in North America. If they had a debt like that in the United States -

AN HON. MEMBER: (Inaudible)

MR. S. NEARY: Yes, the per capita debt. The per capita now I am talking about. We have the second highest public debt in the whole of Canada, we are next in line to the Canadian Government. But our per capita debt is \$5,600. That is about, I would say, double, more than double than what it is in the United States. If the United States had a per capita debt of \$5,600 for every man, woman and child they would be gone under long ago. Every child born in Newfoundland today is born with a debt of \$5,600.

And, Mr. Chairman, I do not know what else we can say to rivet the point home that one of the reasons that this Province is in the recession, is passing through a major depression, is because of our provincial debt. You cannot attribute what is happening in Newfoundland today totally to inflation, although the government will try to use the excuse that inflation is causing all

MR. S. NEARY: kinds of worldwide problems. Well, that is true. But in Newfoundland our problems are compounded because of the mismanagement of the affairs of this Province. The government - in ten years the provincial debt of in this Province, ten years of Tory administration the provincial debt has gone up by \$2.4 million, \$2,400,000,000!

Now, Mr. Chairman, we also hear the government complain and we heard it again today when the Premier stood in his place in this House and took another swipe at the Government of Canada. And in case he does not think that I know why he did not take that swipe at the Government of Canada about DREE, it is because of a little memorandum that I sent him the other day and a letter that I sent in connection with his letter that he had written to the town council in Port aux Basques about a proposed industrial park for Port aux Basques. The hon. Premier told the town council in Port aux Basques that their industrial park was on a list, high on the list of priorities and that the government were going to see to it that an industrial park for Port aux Basques was included in the next agreement with DREE. Well, let us see what DREE says about this. I have the memo in front of me that I sent to the hon. gentleman that shook

MR. NEARY: no doubt right down to the tips of his toes. Dated March 17, 1981, a memorandum to Mr. Mancini, subject information, and it has to do with negotiations with DREE contracts for Newfoundland. And when you get down to the part that has to deal with industrial parks, let me read for the benefit of the honourable members of the House the part that has to deal with DREE financed industrial parks. 'So far the Government of Canada, the Department of Regional Economic Expansion have proposals before them for seven industrial parks. And I can read out the ones that there is a DREE contribution commitment to to date: The Donovans Industrial Park in St. John's, the Maple Valley Industrial Park, Grand Falls Industrial Park, Carbonear Industrial Park, Car Crescent Industrial Park, Gander, Wabush Industrial Park, Labrador, Country Road Industrial Park, Corner Brook. Now listen to this, Mr. Chairman, the (b) part of this answer. Recent provincial government proposals for industrial parks! Proposals now. 'Under the current industrial development proposals there are three industrial parks identified, Gander, Octagon Pond, St. John's, renovations to facilities at Argentia. In addition there were discussions' - listen to this, Mr. Chairman. Even though the Premier told Port aux Basques they were going to rate top priority, that he was going to see to it that their industrial park would be included in the next DREE agreement to be signed, listen to what DREE says, the Executive Assistant to the Minister of DREE. 'In addition, he says, there were discussions but no proposals regarding three other possible sites, Port aux Basques, Botwood, Corner Brook, provision of industrial land by filling in the shoals area of the waterfront. In order to complete this list a very time consuming scrutiny of our files from 1969 would be required.' Now the reason I raise this, Mr. Chairman, is because this is just an example,

MR. NEARY: soup line stage yet but we are getting pretty close. There is a major depression in this Province at the present time, especially in the construction industry, and the unemployed construction workers are dismayed. And, Mr. Chairman, if this continues-the interest rates keep going up, the unemployment is reaching record proportions in this Province now, the cost of living is out of control, we have the highest taxes in Canada -if it keeps up we are likely by the end of the year to see riots in the streets, that is how serious it is.

MR. J. CARTER: Bloodshed. You would like that, would you not?

MR. NEARY: I would not like it. I am not one who advocates civil disobedience although I heard it one time suggested from the opposite side of the House. Mr. Crosbie, when he was here, suggested one time civil disobedience. I do not subscribe to that. But the government buries its head in the sand and they talk about all kinds of things that do not affect the lives of the ordinary people of this Province.

Mr. Chairman, all they are interested in doing is using the government helicopters, misusing and abusing the government aircraft, sending the Norma and Gladys on another little jaunt around Newfoundland - and I know Your Honour is signalling to me that my time is up. Well, I hope that somebody else will intervene and I will come back and have another go at this subject, Mr. Chairman.

MR. CHAIRMAN (Butt): Order, please!

Before recognizing the next speaker I would like to welcome to the House on behalf of all hon. members four very distinguished gentlemen from the Canadian Council of Land Surveyors; President David Crandall from Manitoba; Vice President, Eric Jerrett from Newfoundland; Past President, John Matthews from British Columbia; Secretary Treasurer, Ken Allred, Alberta.

SOME HON. MEMBERS: Hear, hear.

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

DR. COLLINS: Mr. Chairman, just a few remarks. The hon. member for LaPoile (Mr. Neary) is back onto the public debt. This matter was brought up before and it was answered fairly extensively but I would be glad to say another few words on it.

Everyone would like the public debt to be smaller than it is but, of course, we incur a public debt to develop . services for the Province. And if we do not wish to build hospitals or schools or build roads or whatever, we could have a very small public debt, but I do not know if the people of this Province wish us to work that way.

Now the hon. member says that we have the highest per capita public debt in the country, and I am not going to dispute that, but the point I am going to make is this, that the total direct provincial debt, that is, the debt that the Province itself incurs, not the debt that agencies of the Province incur which are guaranteed by the Province, but the debt that the Province itself incurs, in 1977 it was \$1.5 billions, that is just in round numbers; over the next year that went up by 7 per cent. Now I do not know what the inflation rate was that year but I am willing to bet my bottom dollar it was less than 7 per cent. It went up by 7 per cent the next year up to \$1.66 billion. The next year it went up by 10 per cent. Now that may have been close to the inflation figure, but I suggest that probably even that was below the inflation figure. It went up from there to \$1.8 billion. The next year it went up by 3 per cent and that was considerably below the inflation rate. It went up to \$1.89 billion and then in 1981 it is projected to go up to just over \$2 billion. That is an increase of 9 per cent.

The point I make, Mr. Chairman, and I made this point previously in terms of the total public sector debt, that our total public sector debts have been increasing

DR. COLLINS: at a rate of between six and seven per cent per year whereas inflation is going up at whatever it is, ten and twelve percent for the year. In other words, our debt is going up at a lesser rate than the inflation rate is going up and now I point out that that applies also to the Provincial direct debt. If the hon. members is implying - I did not say he is saying this now - but if he is implying that our Provincial debt is out of control - it is high; it is not out of control. We are getting a cap on it. We are increasing our debt at a lesser rate than it should increase if just inflation alone applies. We are putting a cap on it.

MR. NEARY: (Inaudible) to do that.

DR. COLLINS: No, in very few provinces, very very few. I do not know but we might be unique in that regard. I suspect we are. So that is the only point I would like to make in answer to those remarks.

MR. NEARY: Mr. Chairman.

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

MR. NEARY: What a load of hogwash, utter tripe, garbage that the hon. gentleman just spewed out on the floor of this House. Mr. Chairman, the fact of the matter is that the Provincial debt has tripled in this Province in less than ten years. And the reason for it is mismanagement. Seventy-five per cent of the reason for our Provincial debt going up \$2.4 billion, \$2,400 million in less than ten years is because of mismanagement on the part of this administration. And we have the highest per capita debt in the whole province. And maybe nobody cares, I do not know. Maybe the Government are just taking the attitude 'let her rip, let her go.' But it is something, Mr. Chairman, that we have to contend with in this Province. The day of reckoning is not too far away. And I would not mind it so bad but every time the minister gets up he says, ' Well, how else

MR. NEARY: could we get hospitals and schools and water and sewerage?' Mr. Chairman, the fact of the matter is that the Provincial debt has trebled in this Province in less than ten years and we have nothing to show for it. In twenty-three years of Liberalism in this Province, twenty-three years while we were trying to catch up with the rest of Canada, twenty-three years, Mr. Smallwood, who was always accused by the other side of the House - by the Opposition of the day, by the Tories - accused of bankrupting the Province, so we were told: 'Mr. Smallwood was going to plow her under. She was going bankrupt.' Do you know what the Provincial debt was at that time? \$700 million. January 18, 1972, the Provincial debt, \$700 million. Now, it is \$3.2 billion in less than ten years and not a thing to show for it.

There was a time, Mr. Chairman, when we were building schools in this Province, when we were building hospitals, when we were building water and sewerage, when we were developing our natural resources, when we were building vocational schools, when we built 6,000 miles of roads, when we paved just about all the roads in Newfoundland, brought in rural electrification and what else did we do? There are 333 items listed that the Liberals did in twenty-three years, a public debt of a little over \$700 million.

But, Mr. Chairman, on January 18, all our forward march stopped dead in its tracks. And all they did was drive up the Provincial debt and we do not have a thing to show for it. \$550 million squandered on the Labrador Liner-board mill that should have been left in the hands of private enterprise. They drove it up. Not only did they nationalize it but spent \$550 million that is included in that \$3.2 billion debt. And the minister should not separate the debt. The direct and indirect debt is \$3.2 billion. There is no way you could separate it.

MR. NEARY:

These two little explosions they set off on either side of the Strait of Belle Isle, \$220 million. And then cancelled the project after the '75 election was over. And nationalizing Churhcill Falls Corporation. \$350 million. Well, right there you have over a billion dollars. What is there to show for it? Not a thing, Mr. Chairman.

Mr. Chairman, there is not a thing to show for it so I hope we will never again hear the Minister of Finance (Dr.Collins) get up and tell us, 'Well,if you are going to build water and sewerage and schools and hospitals, you have to borrow.'

MR. NEARY: Only one hospital has been announced in ten years and that is in Port aux Basques. And this year, what did they allocate in the budget for the construction of that hospital? \$1.5 million. In ten years, they have not built a hospital in ten years. And the way they are going at Port aux Basques, it will take ten years to build that one, another ten. They have not built a hospital in ten years, Mr. Chairman. Show me one. I would like for the Minister of Finance (Dr. Collins) to get up and point his finger to a new hospital that they have built in this Province in the last ten years of Tory administration. Where are they?

DR. COLLINS: The Health Sciences Complex.

MR. NEARY: Out where?

The Health Sciences Complex!

The Health Sciences Complex was

started by the Liberals.

MR. STIRLING: Paid for by the federal government.

MR. NEARY: Paid for by Ottawa. Ottawa put \$45 million into that project. Do not be so naive. How stupid!

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN (Butt): Order, please!

MR. NEARY: How stupid! How stupid can you get? The Health Sciences Complex, the medical school, was a great Liberal concept.

DR. COLLINS: This government is paying for it.

MR. NEARY: Right, this government is paying for it. Ottawa put up \$40 million for that project.

DR. COLLINS: How much did it cost?

MR. NEARY: It cost around \$65 million.

Ottawa put up \$40 million or \$45 million.

MR. NEARY: Mr. Chairman, the fact of the matter is - I will repeat what I said before -

MR. HOUSE: (Inaudible) Carbonear.

MR. NEARY: Carbonear was built by the Liberals.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Chairman, they have not built one hospital, not a hospital. And I doubt if they built any schools, maybe a handful. You can count the number of schools on one hand that they built.

MR. TULK: Count them on your fingers.

MR. NEARY: Count them on the fingers of one hand, Mr. Chairman. And the water and sewerage that they put in is trivial, insignificant, compared to what was done in twenty-three years.

So, Mr. Chairman, I go back to my original statement, that this Tory administration - and this is a continuation of the Tory administration that took over on January 18, 1972 - they have tripled the provincial debt during that time, in less than ten years - \$2.4 billion and nothing to show for it; record unemployment, the highest cost of living in Canada, the second highest provincial debt, the highest per capita debt in the nation, the highest taxes in Canada, that is what they have to show for it, Mr. Chairman, a major recession, a major depression in this Province at the present time, and all they can think about is oil. All they can talk about is oil. Now, I guarantee you, if the oil is not coming ashore by the time the next election is called, they will get oil, all right, they will get all the oil they are bargaining for. Because they are making a mess of the oil. And only last week, Dr. Stuart Peters, who is a senior officer with Crosbie (Offshore), speaking at a seminar over in London, Ontario, told the seminar that because of the attitude of this government and because of

May 19, 1981

Tape 1647

EC - 3

MR. NEARY: the political climate in
Newfoundland at the present time, oil companies have been
scared away, have been frightened away from Newfoundland.
What a statement, Mr. Chairman! What a

4585

MR. NEARY: statement from a man who is in the industry, in the oil industry servicing the offshore rigs. What a statement for Dr. Peters to make, And Dr. Peters is no friend of the Liberals in this Province. I would say that he is well in with the administration of the day. But he was forced, I do not know whether he knew he was going to be quoted over in London, Ontario or not, sometimes business people and politicians when they go outside the Province have a tendency to be a little more vocal and they talk a little more than they do on the home front, not thinking that anybody is going to pay any attention to them, not thinking that they are going to be quoted in the newspapers. Well, Dr. Peters was quoted in the newspapers as saying that this governing is frightening away business and industry wholesale. And he said if we are going to benefit by the offshore oil then it is about time that the provincial government started talking to Ottawa. I sent for the clipping, I should have it tomorrow and I will be glad to ask some questions about it in the House. But it is a startling revelation, Mr. Chairman, and I have a few more things that I want to say about that particular matter. I hope somebody will intervene so I can have another go.

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

MR. STIRLING: When we last met, Mr. Chairman, I asked the Minister of Finance (Dr. Collins) a number of questions involving the financing of the pension plan and I think he undertook to get the information. I just checked quickly through Hansard, I do not see it there, but it may be later on and maybe he would either point it out or repeat the information.

MR. NEARY: Mr. Chairman.

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, I am glad that my hon. colleague intervened there so I can carry on for a few more moments because I want to get back, and I am sure that the

MR. NEARY: surveyors who are holding a convention in this Province at the present time will be interested in some of the matters that are under discussion in this House at the present time because their bread and butter depends on whether or not these projects succeed or not.

We have heard a lot of talk here about the DREE agreements not being signed and whose fault it is, and we heard a Ministerial Statement read today in the House by the Premier condemning Ottawa again, taking another flick at the Government of Canada, this time

4587

MR. S. NEARY: singling out the Minister responsible for DREE (Mr. De Bane) and saying it was all Ottawa's fault. And I have been contending now for weeks in this House that all DREE has before them are proposals, no agreements! The Premier keeps saying, 'Why do you not ask your buddies up in Ottawa to sign the agreements?' What agreements? There are no agreements! And how do I know there are no agreements? Because I am on the phone every other day; every time the Premier makes a statement I call Ottawa, I call DREE.

And, Mr. Chairman, it is absolutely unbelievable the things that the Premier can get away with in this Province and in this House. Nobody ever questions it; he makes the statement, nobody ever bothers to ask about it, as if God had spoken! Well, I quoted a few moments from a memo that was written by the executive assistant to the Minister of DREE in Ottawa. Let us see what - and this was only March 17th. 1981 - let us see what they say about DREE agreements that the Premier keeps telling us are ready for signing. The question that was put to the DREE people by Mr. Cardinal, executive assistant. He said, 'List of subsidiary agreements awaiting approval for Newfoundland'. And what is the response? Well, just listen to this: (a) Canada/Newfoundland Pulp and Paper Modernization subsidiary agreement has received Privy Council approval and is awaiting ratification; (b) A Canada/Newfoundland Coastal Labrador Development subsidiary agreement received approval in principle by Economic Development ministers in July 1980, submission of these specific agreement conditions and components to the Economic Development Committees the Treasury Board and the Privy Council will be required when ministerial discussions on these are concluded'. As a matter of fact the ministerial discussions are not concluded, so how can there be an agreement ready for the ink? 'Thereafter a subsidiary agreement might be said to be awaiting approval, although further negotiations with the provincial government and subsequent modifications may still be required prior to ratification.'

MR. NEARY: Now, Mr. Chairman, I want you to listen to this, the next paragraph. Listen to this now, this is from the executive assistant of the Federal Minister of DREE (Mr. DeBane) - from his executive assistant after asking DREE to bring him up to date, and the Premier tells us that it is Ottawa's fault the agreements are not signed. Well, let us see what the next paragraph says: 'There are no other federal/provincial subsidiary agreements awaiting approval.' Shall I read it again, Mr. Chairman? 'There are no other federal/provincial subsidiary agreements awaiting approval, there are a number of prospective joint initiatives under analysis by the DREE office in Newfoundland at this time in various stages of maturation. The particular items are listed and described in the monthly report, Subsidiary Agreements in Preparation. As these items evolve and prove viable, they are incorporated into our main estimates display. A more realistic aspect describing possible programme activities, including potential subsidiary agreements, is presented in the programme forecast multi-year operational plan.

'If you are following the current' - listen to this - 'If you are following the current terminology of the provincial government there are nine or ten subsidiary agreements awaiting approval. There are probably a little more if one is consistent and includes every unsuccessful proposal submitted by the Province since the signing of the Canada/Newfoundland general DREE agreement in 1974.'

Mr. Chairman, you cannot be any more plain than that. You cannot be any more blunt than that. The fact of the matter is that this government

MR. NEARY:

- and here is the memo.

I think what prompted the Ministerial Statement from the Premier today was that I wrote him the other day in connection with the incorrect statement that he had made to the Port aux Basques town council about their industrial park, and I sent him a copy of this to prove that I was right. And that is what motivated his attack on DREE and the Government of Canada today. His is very concerned now that we are getting at the truth, we are getting near the truth, he is going to get caught bluffing, he is going to get caught in his bluff. The fact of the matter is that he has been running a gigantic bluff for the last several weeks. There have been no negotiations in connection with DREE agreements, merely proposals put before DREE and no hard negotiations, no agreements. And that is the truth of the matter, Mr. Chairman, and it is about time, in my opinion, that the Premier stopped this bluff.

All he is doing is harm for Newfoundland. He is harming Newfoundland. His buffoonery is harming Newfoundland. Mr. Chairman, I always heard that the Texas Legislature was the most famous in the world for buffoonery, but when I hear statements from the Premier and from ministers in this government, I am wondering if we do not head the list of legislatures, for buffoonery, in the free world. We heard another example of it today. It is about time that the Premier stopped this buffoonery. Because all it is doing, Mr. Chairman, is doing Newfoundland an awful lot of harm, an awful lot of damage. And as a result today, what do we have in Newfoundland? We have a major recession. We have people's hopes built up on oil, the oil boom syndrome and no oil and no prosperity. Everybody is led to believe the oil is going to solve all our problems. Oil is going to take care of all our welfare problems, is

MR. NEARY: going to solve out
unemployment problems, is going to solve our tax problems,
our gasoline prices, our electricity prices.

4591

MR. NEARY: That, Mr. Chairman, is a part of the con game, that is a part of the gigantic bluff that is being carried on by this administration. The actual fact of the matter is, that the cost of living will sky rocket if and when oil is produced offshore, and ninety-nine per cent of Newfoundlanders will never know there is a gallon of oil around.

When they are producing oil offshore with one well, Hibernia, it will employ about 500 or 600 Newfoundlanders, so we are told. The Minister of Mines and Energy (Mr. Barry) gave us these figures. Why there are more people employed in senior citizens homes around this Province than will be employed in the offshore.

Mr. Chairman, I suppose tomorrow morning now I will turn on my radio and I will hear somebody editorializing and saying, "The member for LaPoile was shouting, the member for LaPoile was ranting and raving." I cannot help it if that is the way I speak, if that is way I was born. I do not have a very mild voice. I like to make my point and if anybody does not like it, I would suggest they go buy ear plugs or they go and play tiddlywinks, if they are bored with their jobs.

MR. CARTER: We can always fire you out.

MR. NEARY: No. No, the hon. gentleman cannot fire me out. The hon. gentleman has tried that and the Tories have been trying that for twenty years. Maybe the people will put me out, or they will put me in. But the hon. gentleman will not decide that, that will be decided by my constituents. And, Mr. Chairman, I would say, the way things are going in this Province, that maybe, maybe the thing to do is to put the matter to the test, put it to the test.

MR. NEARY: People are so discontent and so disgruntled and so discouraged with this crowd, outside of Tory St. John's, Mr. Chairman, they will not get a seat in the next election, not a seat. And they will lose a few in St. John's too.

Anyway I will deal with that at another time, Mr. Chairman.

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

DR. COLLINS: Mr. Speaker, I think the hon. member is dealing with the wrong head or something. Legislature has not come up yet. I do not know how seats came into this.

MR. NEARY: We are on the public debt. Public debt we are on.

DR. COLLINS: I wanted to answer a few questions that the hon. Leader of the Opposition (Mr. Stirling) had in mind, but just before getting on to that I think the hon. member for LaPoile (Mr. Neary) forgets one thing when he talks about the past capital works and that is that a lot of these were rental purchase agreements and we are still paying for things, like, say, the Children's Hospital, out of our capital fund this year. We are paying for the Memorial University. We are paying for the Gander Hospital. These are all capital expenditures, to some extent, in this year.

Now, Mr. Chairman, the Leader of the Opposition asked a number of questions in regard to pensions. I do not recall precisely what the questions were, but I do have some information I got related to them. I hope I will cover the questions he did ask a number of days ago.

Our pension fund at the present time covers various groups; the Public Service employees, and that includes most of the government agencies, such as Hydro and health care institutions and non-professional school board

DR. COLLINS: employees and so on. The fund also covers teachers, as most people know. It covers the House of Assembly, members of the House of Assembly. It covers the Constabulary, and the Constabulary includes not only the Police, it also includes the firemen and the warders.

The fund at the present time, as of the end of March, had a market value of just over \$42 million, and about half that is invested in bonds and mortgages and the rest in stocks and in short-term instruments. The fund is managed on an interim basis by the Royal Trust, which we sort of inherited really. I believe when the Teachers' Pension Fund came to be managed in the overall fund, I think we inherited the Royal Trust. They had been doing this work for the teachers, the pension fund, for quite a number of years, so they carried on with the other aspects of it because it is just an interim arrangement. There was a study done a couple of years ago and that study was not very conclusive at that point in time, at the end of it, despite a number of things, but in regard to the management of the fund it said it could be done intra-departmentally by the Department of Finance using some consultants, or one could set up a commission, a pension commission,

DR. COLLINS: and that matter has still to be decided ultimately and finally. But on an interim basis the Royal Trust manages the investments of the money in the fund. We get a return on those investments of approximately fourteen per cent, in round figures, and that return, of course, goes back into the pension fund, it does not go into the consolidated revenue fund.

I think one of the questions asked was whether contributions cover the present outlays from the pension fund, and they do. The contributions by employees and matched by government at the present time gives the cash flow more than sufficient to cover outlays at the present time to pensioners and it will for some time in the future. But the time will come when there will be more outlays than there is income and then there will have to be some change in present contributions to the fund. At the present time government is guaranteeing any outlays. There are certain aspects to the fund which are not covered actually. In general they are, but if you just take out certain parts of them, one or two parts are not covered at the present time. The government guarantees that they will be covered.

There is an expectation that there will be a full-scale actuarial study done on the pension fund within the next couple of years. I think as far as I recall, that covers most of the questions that were asked, Mr. Chairman.

MR. CHAIRMAN (Butt): Shall 105-02-02 carry?

MR. STIRLING: Mr. Chairman.

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

MR. STIRLING: Well, Mr. Chairman, I must say, specifically enough the government made a great

MR. STIRLING: to-do this year about funding the pension plan. I now understand from the Minister of Finance (Dr. Collins) that they do not have an up-to-date actuarial study done. Can he provide a copy of the last actuarial study and give us an indication of what the true liability of this Province is? I understand that earlier this year there was some indication, I think in either the Budget Speech or the Throne Speech, of starting to fund that unfunded liability. That is what I was looking for, the specifics on that. What is our unfunded liability and what is the plan? How much per year in order to look after that unfunded liability? I know that the people paying into the plan, because of their young ages have been paying in more than the government actually needs. But the whole purpose of this funding—and the government indicated that they have moved away from the present system into a funding system and the detail is not adequate. It is mentioned here under one of the subheadings, Pensions and Gratuities. This is the place where the minister should provide the information in detail as to what the unfunded liability is, and how much is going in this year, and what period of time it will take for that to be concluded properly? Otherwise, we are not getting the detailed information that should be answered in committee.

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

DR. COLLINS: Mr. Chairman, I could wait until that subhead comes up but perhaps I may as well just answer the question now and I think this has to be viewed in the proper light. Up until last year's budget the pensions due to pensioners in the public service of this Province were totally unfunded, there was no fund for them whatever, that is in the general public service. There was a fund for the teachers, as have mentioned, but for the general public service

DR. COLLINS: current revenues. Now, we elected to try to get a bit more security in that regard and as a first step, and it is only a first step, it is a first small step, I suppose, but nevertheless it is a first step, the first step we made was to match the contributions by employees on an annual basis and this year the contributions by the employees will be roughly \$16 million. That is their current contributions that they are required to pay out of their salaries. The usual rate is 6 per cent of salary goes for the provision of pensions. And government has undertaken to match that amount and, therefore, we will be putting in this year approximately \$16 million.

Now, as I stated a few minutes ago, those contributions by employees and by government is more than enough but not very much more than enough, but it is more than enough to cover the outflow in this year, in '80-'81, in terms of pensions. So there is a small build-up. But I am not implying that that small build-up is sufficient to fund our past obligations, our past obligations which reach right back to 1949, really, our past obligations which were totally unfunded over all those numbers of years, many hundreds of millions of dollars before the people now on pensions die and pensions are no longer due. So, that remains unfunded but it does not mean, of course, that they will not get their pensions, they will get it out of current revenue as the years go by.

I doubt whether this Province, unless a tremendous bonanza occurs, I doubt if this Province will ever have a totally funded pension scheme. We might have a partly funded scheme, but I think it would be a long day in the future and we would have to have tremendous revenues, for us to have a totally funded pension scheme which would mean that each year there would be no money going out of the current revenue to take care of pensions, other than matching the current contributions of that year.

DR. COLLINS: I think that is a dream that we will likely never reach, but we may partially fund it. And that actuarial study was done about a couple of years ago. I was not involved at the time, but I understand it was done a couple of years ago and we are going to do another one now in a couple of years hence. And at that time, I think we will be getting into what extent we will partially fund the pension scheme.

MR. STIRLING: Mr. Chairman.

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

MR. STIRLING: Mr. Chairman, that information - it appears that we have decided to start paying into a fund but this House of Assembly should know what the estimated unfunded liability is. I do not think it is fair when the Minister of Finance (Dr. Collins) says that public service pensions plans have been unfunded. The public servants have been funding their share of it. They have been paying their share and have always paid their share. The question is at what time does the government pay in its share. Now it seems as if we are into an in-between situation. It was not that long ago that an award was given to an actuarial firm outside the Province to do a study on pensions, and it was only in the last year. And what we need to know - otherwise it is just a hit-and-miss kind of proposition - what we need to know is what is the unfunded liability? And now that the government has decided to pool all those pension funds, what impact will the employees be able to have on those various pension funds? Because people are not all the same ages and all the same groups and all have the same pattern, it would seem to be important for the people who have given up their pension fund, the teachers for example, to know what is happening. And there must be an actuarial study done, otherwise, you would not know what is needed in the way of funding to put in the government's portion.

May 19, 1981

Tape No. 1653

EL - 3

MR. STIRLING: Now, it is true that in a Province as strong as Ontario, maybe the employees would be quite happy to see it come out of the general revenue.

4600

MR. STIRLING:

The fact that the employees have managed to get the government, and the government themselves, to agree to start funding, may be more of an indication of the lack of stability of the government or concern that at some point the government will not be able to pay pensions, as happened in New York City a few years ago.

So I think it is very important for the Province to know - New York City went bankrupt basically on the basis of unfunded pension liability. It is not an insignificant figure. And the government should tell us the full story as to just how big that unfunded liability is and what kind of a plan the government has to get it under control. It is not simply enough to say, 'Well, we are not going to let it get any worse.' I think that the government does know what the information - it is available in the minister's department. As he said, it may have been done before he took over the department, but I am sure that if he searches, he will be able to find the information and I do think that we should have that information before voting on this subhead.

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

MR. NEARY: Mr. Chairman.

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

MR. NEARY: Mr. Chairman, before the hon. gentleman answers my colleague, the Leader of the Opposition, Sir. I have been hammering away here now for the last hour hoping to get some kind of a statement of policy from this government as to what is going to take place in this Province in the next few months, in the next year or so in connection with resource development and jobs.

MR. CARTER: We have got a policy, to get rid of you.

MR. NEARY: Well, I realize that. That has been the policy of this -

May 19, 1981

Tape No. 1654

EC - 2

MR. CARTER:

(Inaudible) policy.

MR. NEARY:

Mr. Chairman, I have been trying to get some kind of a statement of policy. I have been trying to find out the philosophy of this administration. And what I said in the beginning was that they are obviously a government of all chaw, all talk, and do nothing. Because that is all we have heard for ten years in this Province, talk, chaw, bellyaching, battling with this one, fighting with that one, quarrelling with Ottawa, badgering Nova Scotia, kicking the oil companies around, kicking the people who want to come in and develop this Province, frightening them away. And, Mr. Chairman, it is very significant to me that a man like Dr. Stu Peters up in London, Ontario, a man who is a part of the establishment, is forced to come out and make a statement that was quoted in the newspaper in London, Ontario, that this government is frightening industry away from Newfoundland because of its attitude. Because of the political climate in this Province nobody will come in here.

Mr. Chairman, do hon. members realize how damaging that is for Newfoundland and Newfoundlanders? Do hon. gentlemen realize that is the reason we have record unemployment in this Province, that carpenters cannot find jobs, plumbers and pipefitters and electricians and welders and labourers and truck drivers and heavy equipment operators, why they cannot find jobs? - why steelworkers up in the head of the bay cannot find work, and are worried that they may not even get enough work this year to get enough stamps to get their unemployment? That is the reason for it, Mr. Chairman.

MR. NEARY: It has nothing to do with worldwide inflation, it has to do with this government. I passed a remark there a few moments ago that this government had done nothing, in tripling the provincial debt in this Province, they did not do anything for it. I was wrong. When I sat down, I thought of something that they had done. According to the Newfoundland and Labrador Lounge Association, they have saturated the Province with booze. Only a week or ten days ago, when the Newfoundland Lounge Association met here in St. John's, they told the whole of Newfoundland that in the last ten years Newfoundland had been saturated with booze. That is one thing they did. Now, what was the other thing they did? Well, I tell you what is on their list of priorities, building jails. That is the reputation they got, that is the record they will have, saturating Newfoundland with booze and building jails. They do not build any schools or any hospitals or any vocational schools or any arts and culture centres, they build jails. The Minister of Justice (Mr. Ottenheimer) in the last few months, announced

MR. NEARY: three or four jails in Newfoundland. Well, you are going to need more than three or four, you will probably need a jail in every corner with the attitude of this government and with what they have done to this Province. They have crucified Newfoundland. And they cannot even build jails right. Because according to CBC Here and Now last night, all somebody has to do down in the new wing of Her Majesty's Penitentiary when a fire starts, or even if a fire does not start, all he needs is to be able to pick a lock and if he can pick the lock he can set off the alarm system that opens every door and every window in Her Majesty's Penitentiary. So they cannot even build jails right. And the Minister of Justice (Mr. Ottenheimer) tried to get out of it by saying. 'Well, the new wing of the penitentiary is not fully occupied yet but when it is occupied we will have all the bugs ironed out, we will have these things overcome.' By that time it will have cost the taxpayers of this Province another few hundred thousand dollars, to remedy a mistake in the design. If the smoke detectors go off, all some prisoner has to do is be able to have enough ingenuity to make a key to fit into that lock and bang! every window and every door in Her Majesty's Penitentiary opens up and they can all pour out into the streets.

So, Mr. Chairman, the reputation and the record of this administration is not one of building, building roads, building water and sewerage, building hospitals and building schools and building vocational schools, it is a record of saturating the Province with booze. And these are not my words, these are the words of the Newfoundland Lounge Association, a group of very prominent businessmen in this Province who accuse the government of saturating her with booze and building jails. The only announcements that they can find to make are

MR. S. NEARY: to build new jails or extensions to old jails. We are going to need a lot of them in this Province, Mr. Chairman, if the trend continues, and it looks like the trend is going to continue. This government refuses to negotiate with the Government of Canada on the offshore, they refuse to negotiate with Québec on getting a transmission line across - getting our power transmitted across the Province of Quebec, they refuse to deal with the Government of Canada on the development of the Lower Churchill. In 1974 they set off these two explosions to start the development, and then after the election they cancelled it, cancelled it! And as result, Mr. Chairman, we find ourselves in Newfoundland today in a dilemma, as far as as our energy policy is concerned. The government has no energy policy. They are now down trying to develop Cat Arm, a stopgap measure. They have no intentions of going ahead with the Lower Churchill, they have no customers for the power! I had to laugh - I heard a statement made in this House a short while ago, I am not sure who made it, the Minister of Mines and Energy (Mr. Barry) or the Premier said, 'Well, we can develop the Muskrat Falls and that will give us enough power for the Island of Newfoundland in 1985'. Did anybody take the trouble to sit down to see how much that power is going to cost? To develop the Muskrat Falls is going to cost about \$2.5 billion. Where is the money going to come from?

AN HON. MEMBER: Guaranteed by Ottawa.

MR. S. NEARY: No, it is not guaranteed by Ottawa. Ottawa is not that stupid yet that they would -

MR. L. STIRLING: Oh, no, they have. Muskrat Falls has a guarantee.

MR. NEARY: They have guaranteed what?

MR. STIRLING: - if the Lower Churchill is developed. They have guaranteed all the development. That is why they should have gone ahead with it. Ottawa is going to put up the money and guarantee it -

May 19, 1981

Tape No. 1656

DW - 2

MR. S. NEARY: Well, if Ottawa will guarantee the money then I would say that they all should be decorated up there in the Government of Canada. There should be a monument erected in this Province to the Liberal Government in Ottawa if they are prepared to put up the money, \$2.4 billion or \$2.5 billion. Why did the government not go ahead then, if Ottawa is prepared to put up the money? Why are they monkeying around and

4606

MR. NEARY:

pooh-piddling around with Cat Arm when we can develop Muskrat Falls and the Government of Canada will put up the money, or develop the Lower Churchill, better again? Why, Mr. Chairman? I mean, these are the questions that I would like to have answered. The government have driven the Province to the brink of bankruptcy. They will not give us a statement of policy, they will not tell us what their philosophy is for this Province. All they want to do is quarrel and fight and argue and bawl and scratch and fight with Ottawa or with some other Province or with some other company or some other individual.

Mr. Chairman, I am beginning to realize that the statement I made the other day is truer than I thought it was. The Premier of this Province does not want the problems solved. Why what would he argue and fight about? He is going to go down in history as the greatest loser in Newfoundland's 500 year history. He is going to lose the codfish war, he is going to lose the - well, the constitution, he does not even bother to talk about that these days, does not talk about it at all. He is hoping people will forget about that. He is going to lose the offshore battle, the way he is going at it, he is going to lose the fight with Quebec to transmit power across Quebec Province, he is going to lose all four major issues, and he has hooked his wagon to all these shooting stars. He is going to go down in history as the big loser in this Province.

AN HON. MEMBER:

(Inaudible)

MR. NEARY:

No, the Premier I am talking about.

But in the meantime Newfoundlanders are suffering, they cannot cope with the high cost of living, the high cost of gas, the high cost of electricity. There was a time in this Province, as well as in other provinces, when a man making \$18,000 or \$20,000 a year had a few dollars to spare but not anymore, Mr. Chairman, he does not have a cent to

MR. NEARY:

spare, cannot cope, cannot maintain his home, cannot feed his children properly and clothe them, cannot maintain the standard of living he is used to.

MR. CHAIRMAN (MR. BAIRD): Is the hon. member about to wind up his speech?

MR. NEARY: And, Mr. Chairman, the lion's share of the blame should be attributed to this administration and not to inflation. Inflation has taken its toll but you cannot attribute all of the problems we have in this Province to inflation, it is incompetence and mismanagement, Mr. Chairman, and I hope I will get a chance to have another few words a little later on on this matter.

MR. CHAIRMAN: Shall 1505-02 carry?

MR. STIRLING: Mr. Chairman.

MR. CHAIRMAN: Before I recognize the hon. Leader of the Opposition I am sure all members would like to take the opportunity to welcome Councillor Doyle Mills from the city of Corner Brook.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: I might add he resides in the historic district of Humber West.

MR. NEARY: He is in watching his member.

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

MR. STIRLING: Thank you very much, Mr. Chairman. I would say that the Councillor could possibly be contesting the next provincial election. He has shown a great interest in Corner Brook, he has shown a great deal of concern and I am sure that he can see that the only way he can get any of the development done, is going to be to get involved in provincial politics himself and it might give the hon. member a bit of a scare.

Now, Mr. Chairman, I would -

MR. STIRLING: hope now that the Minister of Finance (Dr. Collins) has had time to look up the figures or to get the information and if he is ready to give me the information on the unfunded liability, I will yield to him so that he can give us that information.

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

DR. COLLINS: Mr. Chairman, I did not have the figure available here. I have asked in the department if some one can get it together. It is not readily available there at this point in time but they are trying to get a good indication of it. I might have it shortly. I expect to.

MR. NEARY: Mr. Chairman.

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

MR. NEARY: Mr. Chairman, the hon. gentleman still refuses, or any of the ministers - the Premier or the Minister of Finance still refuses to deal with these matters I have raised, these matters for which they are directly responsible, namely, record unemployment in this Province, the high cost of living, the highest taxes in Canada, the gasoline tax the highest in the nation, increasing electricity rates, all the responsibility of this government. They cannot blame Ottawa. They cannot pawn it off on Ottawa. They have to deal with these matters themselves. And I am glad to see my old friend, Mr. Mills, in the gallery today to see the things that are discussed and debated in this House and to keep an eye on his member because I know, Mr. Chairman, of the good work that Mr. Mills is doing in the City of Corner Brook. A very outspoken man like myself, a man who likes to get at the truth and who champions the cause of ordinary people.

And certainly, as my hon. friend said, the Leader of the Opposition, we could use members in this House of the calibre of Mr. Doyle Mills. Any why do I say that? Why do I say it, Mr. Chairman? I say it because most members of this House are out of touch with the ordinary people. They are out of touch with reality. They think that licensing beer taverns

MR. NEARY: and opening up bars and saloons and cabarets and building jails - they think that is the priority. They think that is the priority in this Province. They think that is the number one priority, opening up taverns, dives, cabarets, yes. That is -

AN HON. MEMBER: We do not open them.

MR. NEARY: Oh, I see, you do not open them, you just give the licences for them.

AN HON. MEMBER: Sure, it is a free society.

MR. NEARY: Oh, it is a free society. Saturate it with booze and build jails. That is the only thing that this crowd have produced in ten years.

And, you know, Mr. Chairman, I do not know if anybody is aware of the serious impact that the negligence, the neglect of this administration has had on the people of this Province. People are struggling, they are desperate, they cannot cope. I never saw so much discontent in Newfoundland as there is at the present time. From one end of her to the other, people are depressed and discontented. They do not know how they are going to manage, how they are going to be able to look after their families. The increase in crime is one of the offshoots of that. The Minister of Justice (Mr. Ottenheimer) buries his head in the sand and says, 'Oh, no, vandalism and crime in this Province are under control'. It is out of control and that is one of the reasons they had to build more jails. If they would only come to grips with the economic problems of this Province, the social problems in this Province, they would not have to waste their money on jails. Mr. Chairman, people are not able to maintain the standard of living they are used to in this Province anymore. And I know the Minister of Finance (Dr. Collins) will get up in a few minutes and tell us, 'Well, the same thing applies to North America and

MR. NEARY: The other 25 per cent I will concede is brought about by inflation. People are driven to desperation. And the funny part about it, Mr. Chairman, it is a job to get the real debates in this House recorded. The news people are always looking for something spectacular, something outstanding. I think they have standing instructions at the CBC to 'Find out where the latest demonstration is taking place so we can send somebody out to cover it, find out where the trouble spots are so we can cover them.' But when it comes to covering and reporting the biggest problems in this Province, the debates that take place in this House, they grudgingly give twenty-five or thirty seconds in the evening on their major newscast. I have stood here today for the last hour and a half and I have lambasted the government and I have accused them of negligence and incompetence and mismanagement, and I laid out the public debt, \$5,600 for every man, woman and child in this Province, an albatross around their necks. A child born today in this Province would be born with a debt of \$5,600, the highest in Canada, the second highest public debt in the nation. And, you know, Mr. Chairman, what will be said about it? 'Oh, that is all boring.' That is all monotonous to these fellows - merely repeat it, repetition, that is all it is. What do you have to do to get the message across to the people of this Province?

MR. TULK: (Inaudible) beat them over the skulls.

MR. NEARY: The people know. The people say, 'What are you doing up in the House?' I have gone back and forth across this Province probably more often since the first of January than any other member of this House, except the ones who go home on the government aircraft on weekends probably, and I guarantee you that anybody but anybody in this House who is silly enough and foolish enough to bury his head in the sand and not think that there is discontent

MR. NEARY: and trouble brewing in this Province as a result of record unemployment, the highest cost of living in Canada, the highest taxes in Canada, the highest gasoline tax in Canada and a government of inaction, a government that does nothing except bellyache - you know, Mr. Chairman, they think that all their attacks on Ottawa about gas and oil and about ownership have sex appeal. They think that has glamour for the Newfoundland electorate. But I can tell this House now that the Newfoundland electorate, like Dr. Stu Peters, who made that statement up in London, Ontario last week, the Newfoundland electorate are fed up with that foolish nonsense. And if they are fed up with me, it is a funny thing that everywhere I go - I was down at the supermarket today -

AN HON. MEMBER: And you were mobbed.

MR. NEARY: Well, not mobbed, but practically everybody I met were taking stuff off the shelves saying, 'Look, I wish we had more men up in the House of Assembly like you to talk about the cost of living, to talk about record unemployment, to tell me where my son or daughter is going to get a job.' They will be pouring out of the colleges and the university and the vocational schools in another three or four weeks, where are they going to find jobs?

Mr. Chairman, this is a very grave and serious matter indeed and one that this House should address itself to and not get sidetracked off on silly, foolish things that we debate in this House, wasting our time and wasting the time of the people of this Province and wasting taxpayer money, talking about silly nonsense. We were told before the House opened that this was going to be a session of the House that would go down in history. We were told that it would be the most

May 19, 1981

Tape 1660

EC - 3

MR. NEARY: outstanding session of the provincial Legislature, of the House of Assembly, since Confederation, the most important session ever - 'all the reforms

4614

MR. NEARY: that weregoing to be brought in. Well, where are they? What do we have on the Order Paper? We have bills to take care of the funeral directors, the Embalmers Bill.

MR. YOUNG: A good bill.

MR. NEARY: A good bill. It might be good for the hon. gentleman, but it is no good for the people who are living in this Province.

MR. YOUNG: (Inaudible) about the dead.

MR. NEARY: Oh, yes, listen to 'old lay them away'. The 'lay them away' plan.

Mr. Chairman, I suppose now they will get up and they will start condemning 'Joey' again. Old Joey has been gone for ten years, it has been ten years ago since he was Premier and they stand up in this House and they have the face and the gall to get up and say oh, what did 'Joey' do? What did he do? His record speaks for itself. We have one brochure that I had in the House the other day showing 333 projects that he built when he was Premier and he is working now on 666 and all this crowd can point to is booze and jails.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: And, Mr. Chairman, that is not a bit funny, not a bit funny at all. It may sound funny but it is not a bit funny, Sir, and I guarantee you that if we do not— and when I say 'we' I am talking about this House and especially the government, because the government call the order of business in the House - if we do not get down to brass tacks in this House pretty soon and try to come to grips and try to cope with the problems of the ordinary people in this Province, try to find jobs for people, create work for people and stop criticizing others, stop attacking the Government of Canada and the other provinces of Canada and create a political climate for development of this Province, if we do not do that pretty soon, Mr. Chairman, then I am afraid that we have not seen our worst days in this

MR. NEARY: province, yet. She is beginning now to look like the dirty thirties, getting more like it every day. And if you do not believe me, all you have to do is go down to a construction site and just take a look at the number of men and women who are out looking for jobs. They are almost fighting now, almost fighting over jobs, and I am not talking about jobs as tradesmen either, fighting over jobs.

MR. CARTER: Women on construction sites?

MR. NEARY: Yes. Mr. Chairman, if I get an opportunity I would like to pursue that point a little further.

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

MR. BENNETT: I would like to have a few comments, Mr. Chairman, if you would please on this 104, Public Debt, and it is alarming.

MR. CARTER: Talk about Joey instead.

MR. BENNETT: I will have my turn talking about Joey in the appropriate place. If you would like me to mention something about Joey today, I would suggest that you look back over the old budget of 1972, that was bought into the House by the Tory Administration when -

MR. TULK: That was the first one.

MR. BENNETT: That was the first one. In 1965-66, the per capita debt then was \$674 per person -

MR. NEARY: That is right.

MR. BENNETT: My hon. colleague just suggested now it is \$5600.

SOME HON. MEMBERS: That is right.

MR. BENNETT: And I think, Mr. Chairman, that every hon. person in this House should most certainly be alarmed with the provincial debt that we have to face, the provincial debt that we have on our backs today. And when we look at servicing of the public debt, we realize that \$204 million dollars -

SOME HON. MEMBERS: Oh, oh!

MR. BENNETT: - is required to service our public debt. Now, Mr. Chairman, that is not the total cost. If we look at the \$204 million in a cash value base, we should look at the broader scope of things, we should also take into account, Mr. Chairman, the things that this Province and the people of this Province have to do without while we have to pay, in the first instance, to service that public debt, \$204 million. And while we are paying that \$204 million, Mr. Chairman, we are doing without schools, transportation networks, we are doing without stadiums, agricultural developments, (inaudible) we are doing without developing generally. The people in Newfoundland are not able to get grants or loans from various departments of government because the government has got to service their public debts first of all. Let us hope that they can continue to service that public debt and do not find themselves plunged into bankruptcy. And if we find ourselves

MR. BENNETT:

cut loose from Ottawa, Mr. Chairman, I fail to see what will keep this Province afloat. I feel, Mr. Chairman, that when we talk about the public debt we should stay here, we should not be in any panic to leave the House of Assembly and close for the Summer recess. It is of such urgent nature that when a Province of this size with such high unemployment and such a gross debt, when we are faced with the dilemma that we seem to be into at this time, I think people who show concern should be very anxious to discuss this, leaving out partisan politics and show concern for the good of the Province. It is about time we took the bull by the horns. Mr. Chairman, hopefully, when the Minister of Fisheries (Mr. Morgan) is in the House of Assembly, we can discuss the fishery which we have not been able to get any answers on from the minister. But when I see people losing their boats because the Fisheries Loan Board is not able to advance \$3,000 or \$20,000; the Fisheries Loan Board is not able to advance that kind of money to keep the industry going, Mr. Chairman, that money is not available to keep that industry going because we have to service our provincial debt, we have to find \$204 million first. And that provincial debt has escalated to such proportions since the Tory administration took it on; you have to face up to it and live up to it, you have to recognize it. And it is time the people of this Province recognized it. It is alarming, it is appalling, to say the least.

My hon. colleague suggested that every man, woman and child in the Province has a debt of \$5,600. He said every child that is born has got a debt hanging over him for \$5,600. Now, Mr. Chairman, that \$5,600 might be okay in a Province where there is sufficient employment, but when that child is born into a Province like

MR. BENNETT: this, faced with that kind of a debt, where no further services are available and we have to educate that person and they have to leave the Province to find employment because we have to service a public debt and we cannot afford to develop the Province. We cannot afford to develop agricultural land, we cannot afford to go any further into forest development, we have to let our trees rot on the stems. The total harvest capability of the Province in lands and forests, Mr. Chairman, is 1 million. The total requirement is 1 million as opposed to 18 million cords of wood. So we have to let 17 million rot while our people have to go hungry, hat in hand looking for welfare, handouts that we would not be able to get if we did not have Ottawa to shell it out to us. Fifty per cent of every welfare dollar coming into this Province is coming from Ottawa. And still we continue to flog Ottawa. And by the time we bring Hibernia on stream, Mr. Chairman, we may not even need Hibernia, we might be too hungry to need it. We may not even be able to live on fluids let alone eat solids. If it takes another ten years to bring Hibernia on stream, Mr. Chairman, and our provincial debt continues to escalate as it has done in the last eight years, our provincial debt - just imagine, Mr. Chairman, if our provincial debt even doubles in the next eight years like it has quadrupled in the last eight years? And there is every indication that it will double, there is every indication it will more than quadruple. And I cannot see where we are going to have any

MR. BENNETT: cash flow from oil. St. John's might have cash flow. Now, Mr. Chairman, the longer we can keep developing or aspiring to develop offshore oil, the more flush and the more economically self-sufficient St. John's will become at the expense of the rest of the Province.

The West Coast is poverty stricken, the West Coast of Newfoundland is already in a depression.

MR. TULK: What about the Northeast Coast?
(Inaudible).

MR. BENNETT: The West Coast of Newfoundland is in a depression at this moment, even the banks in Corner Brook are feeling the adverse effect, the terrible effect of high interest rates.

MR. TULK: The Northeast Coast has 20 per cent unemployment right now.

MR. BENNETT: The Northeast Coast has 20 per cent unemployment. There were job opportunities over in the Gros Morne National Park not very long ago for forty people and there were supposed to be sixty referrals. The man in charge of Canada Manpower told me he had 600 applications for those jobs. sixty referrals, 600 people for forty jobs.

MR. TULK: And they have not done anything.

MR. BENNETT: Now, I remember -

MR. HANCOCK: What about the forestry fund from Ottawa they did not (inaudible).

MR. BENNETT: - when the Province was reasonably flush with employment and a reasonably good cash flow. Now, I know that things have changed and the economics of the world have changed and we have become adversely affected. But in my opinion, Mr. Chairman, we have become too adversely affected. We have the resource. I wrote the Premier myself requesting that I should sit with him for ten minutes and display to him

MR. BENNETT: some of the things that could be done on the Northern Peninsula and on the West Coast, in the interim while we are waiting to become wealthy from offshore development.

MR. TULK: Did he reply?

MR. BENNETT: And the Premier wrote back a letter to me acknowledging, but he did not accept my invitation. I wish he would, it is still open. We did work by the sweat of our brows at one time in the Province, and we did use sawmills and we did haul kelp and we did cut timber and we were reasonably independent.

MR. BENNETT: We have gotten away from all of that. But, Mr. Chairman, a lot of our people are ready and anxious and willing to go back and take their saws and cut wood just to be self-sufficient, just to be employed.

MR. BENNETT: A lot of our people do not understand having to work today by the sweat of their brows to make a livelihood, brought about by the flush times that came, I might add, with Confederation, primarily, basically brought around by the flush, by the cash flow that came down from Ottawa to help develop this Province and put it on track with the rest of Canada.

We continually hear this government flog Ottawa and suggest that Ottawa is wishing us injury, taking away from Newfoundland. We are part of Canada. I was in Halifax over the weekend and I was listening to a guest speaker who referred to people who were there from the Bahamas, and I think they were there from England and other parts of the world, the guest speaker was saying, 'Welcome to Canada.' And it struck me, because if I had been listening in Newfoundland

MR. BENNETT: to any of our politicians or people in high office in Newfoundland, they would not have been saying 'Welcome to Canada'. Do you know, what they would have been saying?

AN HON. MEMBER: Welcome to Newfoundland.

MR. BENNETT: Welcome to Newfoundland, exactly. Because we have not yet learned to recognize that we are part of Canada, which, in my opinion, Mr. Chairman, we should recognize, and we should accept, and we should certainly respect and thank our lucky stars that we have such good neighbours and good fellow Canadians who will keep us afloat while we try to overcome such a terrible dilemma as we find ourselves plunged into with the provincial debt and the escalating cost of living and the total unemployment that we seem to have on our doorstep.

Thank you.

MR. CHAIRMAN: (Mr. Baird). Shall 502.02 carry?

The hon. Minister of Finance.

DR. COLLINS: Mr. Chairman, I told the hon. Leader of the Opposition I would try to get the figure, I have a figure. There

DR. COLLINS: was, as I mentioned, an actuarial study done some years ago. I have the date of the time that it was completed. Now, it was in September, 1978 actually, and that covered the public service, the employees of certain Crown agencies, teachers, constabulary and M.H.A.s, and at that time that study reported as of April, 1977, the total amount of the unfunded liability of the pension plans was just over \$500 million, it was \$500.9 million, as a matter of fact. And that is the most up-to-date figure we have available. Now, we will have a more up-to-date figure when the new actuarial study is done. But I think, as I pointed out, what we have done now, at least we have a cap on that; that is no longer increasing. Because we started matching contributions as of last year, we have pretty well got a cap on that now. So that will not increase at the same rate. But previously, it was increasing quite rapidly and at some point in time down the road, not too long, it would be a tremendous load on the future taxpayers of this Province. But at least now by starting to match contributions - and after a certain period of time, we may have to take further initiatives to partially fund the indebtedness to a greater degree. But at least now we have put a halt on the advance of that unfunded liability.

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

MR. STIRLING: Mr. Chairman, I think that is the kind of thing that should be brought out and should be known. Because you get the impression when they talk in terms about putting in \$16 million as though something great and exciting were being done, but when you realize that the government - and this was as of 1977 and nothing was done with that up until now. So maybe it is now \$.75 billion instead of just \$.5 billion.

MR. STIRLING:

What does that really mean?

It means that the people of Newfoundland owe the employees of this government, and the teachers and the public service \$5 billion towards their pension plan. That is a substantial figure. And I want to compliment the member for St. Barbe (Mr. Bennett) who just made a very good speech, and also my colleague, the member for LaPoile (Mr. Neary) who has been trying to get a message across.

Now, Mr. Chairman, I think what we are going to see, what we are seeing now and will continue to see over the next number of years - I do not know how long it will be, maybe it will be six months, maybe a year, maybe a year and a half, but we are going to see an attempt by this government not to give the people of Newfoundland and Labrador all of the information, not to give them the whole truth. Because in their own Five Year Plan, Mr. Chairman, which has never been brought in for debate, has never been tabled in this House of Assembly for debate, it was released at a series of press conferences with a precis for the press to give the highlights of what was supposed to be a very great document, but, Mr. Chairman, in that document it says, 'The economic and financial portions of this document demonstrate conclusively that the Province simply does not have the fiscal capacity to deliver the desired level of public services and will not within the five year period. For any substantial improvement we will have to look beyond 1984.' Mr. Chairman, another section: 'If resource revenue were to increase markedly in the planning period because of offshore oil and gas or a change in the Upper Churchill power contract, government could not expect to enlarge social or resource development programme immediately because of the offsetting loss of federal equalization payments. Further, it is clear that only with the maximum ...' and it

May 19, 1981

Tape 1664

EC - 3

MR. STIRLING:

goes on and on.

Now, Mr. Chairman, the people

of

4625

MR. STIRLING:

Newfoundland are beginning to see another side of this government, led by the Premier, as it responds to public opinion, as it responds to public pressure. Now, in a speech that this Premier gave to the Accountants Association, he said we must have world prices for oil and gasoline. Sometime later when we said, 'You know what that means, that means that this government wants the people of Newfoundland and Labrador to pay double what we are now paying', he decided to change the position. They changed the position. The Premier got up the other day and said, 'The new position is that it should go to 75 per cent of world prices, about 50 per cent higher than they are now'. Now, in their own five year document, their policy at that time - now, this was only a year ago, this was not a previous administration, this was October, 1980, while the present Budget was being prepared - they said, 'Allowing prices to rise to a free market level is the most effective policy tool available', and then goes on. Now, free market level and the gobbledygook that says world prices, free market level, that is what it means. Now we have already got it changed. Oh, no, that means 75 per cent of free market level, 75 per cent of world prices. Now, Mr. Chairman, sooner or later the people of this Province, whom this government tends to underestimate, tends to underrate, they feel that they can continue to give them part of the information in a press release, part of the information so that it seems that we have to be really careful that what comes out as a smooth piece of information is not telling the whole story, and there is a great inconsistency. You have a Premier talking in terms of trying to reassure the people of Newfoundland and Labrador that you do not have to worry, that he is in charge, that he has new conflict of interest regulations. That is on one hand, and on the other hand you get part of the infor-

May 19, 1981

Tape No. 1665

GS - 2

MR. STIRLING: mation. You do not get the
whole story. You do not get the whole truth. You do not
get the ministers in an

4627

MR. STIRLING: Ottawa, the federal government in Ottawa. And the Cabinet Ministers came down and signed some agreements, the same agreements we heard today, Mr. Chairman, the same agreements from 1977, 1978 that were not signed in nine months of the P.C. Government in Ottawa.

And, Mr. Chairman, what did they then do with the Legion, the people who wanted to be heard on the new flag? would not talk to them, Forget the Legion, would not talk to them. What did they do with the Fisheries Loan Board when that was in trouble? Fired the fishermen off the Fisheries Loan Board. Do not ever let them have anything to do with it again. What did they do with NAPE, a little union? Mr. Chairman, they tried to create the impression here in this House that, 'Oh, the reason we cannot negotiate with that small little group of seventy or eighty is that we have already negotiated with the big 5,000 and they are the same group', when it was this government, Mr. Chairman, who separated out that seventy-eight and would not let them be part of the 5,000. They were small and what did they do? They made them crawl, they made them beg, they put them through a Winter, they put them through a hunger strike, said, 'We do not have any more money'. And what have they done with the teachers? Well, we will hear in a few days. And I will not comment on the teachers until we hear the results of that vote.

But, Mr. Chairman, what they are now attempting to do to the people of Newfoundland and Labrador, they are trying to paint Canada as the enemy, the federal government as the enemy

MR. L. STIRLING: set out by a member on the other side regardless of who is in Ottawa, whether it is P.C. or Liberal, they are the enemy of Newfoundland. What a piece of deception Mr. Chairman. The people of Newfoundland and Labrador decided to become Canadians thirty years ago and we never knew until the last few months just how much the people of Newfoundland and Labrador have become Canadians. And what we are seeing Mr. Chairman, is a government that is now on hold. Until we dug and dug and dug and dug today, we just got an admission of another liability, not included in this, Mr. Chairman, another liability that they have for pension funds of a half a billion dollars, not included in this. So, Mr. Chairman, what we are going to see over the next little while is a government who is going to look for political propaganda, publicity. The Premier who has a staff - two members of his staff are totally committed to putting out a publicity release, a one and one-half minute or a two minute thing that people have to respond to, a Premier who talks about co-operation but does not have the courtsey to ever give us a copy of an advance statement. Now, Mr. Chairman, I realize that my time has just about run out and I presume I will get an opportunity again sometime very soon.

AN HON. MEMBER: (Inaudible) turned you down.

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

DR. COLLINS: Mr. Speaker, when I hear what the hon. Leader of the Opposition (Mr. Stirling) says I really have to wonder, you know, I really have to wonder. Now, look, the pensions in this Province had been unfunded since 1949, they were unfunded during twenty-three years of Liberal rule and now the hon. Leader of the Opposition says, 'We are hiding that figure'. Anyone with about two neurones would know that twenty-three years of unfunded liabilities had to build up to a sizeable amount. Now, why he wanted a precise figure

DR. COLLINS: is beyond me because I do not see what he is going to do with it. But anyway, to try to imply that we were hiding the fact that we had unfunded pension liabilities is a piece of rubbish. After twenty-three plus years of unfunding of the pension, any clot would know that you had to have a sizeable amount of unfunded liability. So to make that out as a great cover-up is just a piece of nonsense. Because it is so self-evident, you know, you really have to be very -

MR. STIRLING: You did not know it.

DR. COLLINS: - I did not know the precise figure. I was not going to give this House an imprecise figure. I did not know if it was \$499.2 or \$500.9 or \$501.6 but, I mean, to make that out as some indication that this government is trying to distort the truth to the public is a piece of rubbish and only someone with a very peculiar state of mind would come up with such a point. Now, the other point about giving information you do not only give information, it is what the hearer gets.

DR. COLLINS: Now, if the hearer has little capability of understanding information, surely he might claim, you know, that I am not given the proper information. But it is not that the information is defective, it is just that his understanding of the information is defective. Now, the hon. Leader of the opposition brings up this point about world prices and 75 per cent of world prices. The information available now to develop the off-shore oil on the Grand Banks in that depth of water, in that depth of a - in that type of climate, with the risks involved and so on and so forth, the new technology that is going to be required is going to be very costly and to make it economic, you are going to have world prices. Now, if you are going to develop that oil and give it away at less than world prices, sell it to someone, you know, who with any sense would do that? Why would we develop our oil out there and then sell it to the Americans, say, for 75 per cent of world price?

MR. STIRLING: What about our own people?

DR. COLLINS: Our own people is a different matter.

SOME HON. MEMBERS: Oh, oh!

DR. COLLINS: When the Premier said we need world prices, he was saying we need world prices to develop, to develop our oil. If you have less than world prices, you may well not get the deposits out there developed. Now, what good is that going to do? Is that going to be -

MR. STIRLING: (Inaudible)

DR. COLLINS: - is that going to be - is that deceiving the people, when we say that we need to get the oil developed and we are going to need world prices to develop it, therefore we will charge world prices? Is that deceiving the people? It is just that the hon. Leader of the Opposition does not know the difference between the costs of development and the costs that you actually sell it to your own people. No one has advocated that the oil that we develop will be sold to the Canadian people at world prices. But it will be developed at world prices.

AN HON. MEMBER:

Oh, oh!

DR. COLLINS:

There will have, likely, to be a subsidy, just as there is a subsidy out on Albertan oil, just as there is a subsidy on oil sands development, just as there is a subsidy on Arctic Development.

SOME HON. MEMBERS:

Oh, oh!

DR. COLLINS:

From the people of Canada, from the people of Canada. The federal government does not earn one red cent, governments do not earn money. When the federal government gives money out it is not giving its own money, it is giving money from the people of Canada, of which Newfoundlanders are part. For the hon. Leader of the Opposition and for hon. members opposite to say this is the munificence of the federal government, of the federal liberal party is a piece of nonsense. They are conduits, they gather their funds from the people of Canada, including Newfoundlanders, and then they distribute it around. This is only what they should do, this is only their duty, it is doing no more than is expected from them. It is not something we have to be eternally grateful for. Now, the Leader of the Opposition says that we are making the federal government out to be the enemy. Another pile of tommyrot. All we are asking the federal government is, to allow us the rights that every person in Canada has to develop to the extent possible. We have resources here. We have capabilities here. All we are asking the federal government is, 'Give us the chance any other province has to make the best of our available resources and that is all we

DR. COLLINS:

want'. We do not want a special deal in Canada. We are not making the federal government out to be an enemy. We are just saying, 'Treat us like other Canadians,' that is all. That is all we ask, that is all we expect.

Mr. Chairman, I now move the passage of whatever heading we are on.

MR. NEARY:

Mr. Chairman.

MR. CHAIRMAN (Butt):

The hon. the member for

LaPoile.

MR. NEARY:

Mr. Chairman, first of all

I want to congratulate my two colleagues who have spoken so far on the public debt and what we have to show for it in this Province. I want to congratulate the member for St. Barbe (Mr. Bennett) who I thought made one of his finest speeches in this hon. House a few moments ago, and I would encourage the hon. member to make a few more like that. I was impressed with the hon. gentleman's feeling for the ordinary people of this Province. I was also tremendously impressed with the Leader of the Opposition who started out - he only had ten minutes - and made a good Liberal speech. Mr. Chairman, I hope that both of these gentlemen -

AN HON. MEMBER:

(Inaudible).

MR. NEARY:

I beg your pardon?

AN HON. MEMBER:

(Inaudible) you.

MR. NEARY:

I hope that both of these gentlemen will carry on when I take my seat because we can have ten minutes at a time. And I do not think we could do anything better, Mr. Chairman, than devote the next three weeks in this House or a month or five weeks or however long more we are going to be here, in talking about the public debt and the impact it is having on the -

MR. CARTER:

(Inaudible).

MR. NEARY:

I beg your pardon?

MR. CARTER: (Inaudible) members across the House cannot stand (inaudible).

MR. NEARY: My colleague is negotiating some time off for the hon. gentleman so he had better just keep quiet.

Mr. Chairman, the Leader of the Opposition made a very interesting point about the attacks that are being made on the Government of Canada, portraying the Government of Canada as the enemy. Now, let us just take one figure alone to explode that argument that the government has been putting up about the Government of Canada being the enemy. Members are aware that approximately \$470 million will be coming into this Province this year in equalization grants. Do you know what that means per capita? Do you know what that means for every man, woman and child in this Province, Mr. Chairman? That is

MR. NEARY: \$900 for every man, woman and child in Newfoundland.

DR. COLLINS: Coming from where?

MR. NEARY: Coming from the Government of Canada.

DR. COLLINS: (Inaudible) return.

MR. NEARY: Oh, Mr. Chairman, just listen. And then the Minister of Finance (Dr. Collins) made a great Tory statement. I sometimes wonder about the hon. gentleman's bedside manner. When I hear him speak in this House I wonder to myself, what kind of a bedside manner would this member have. He would be sitting down taking your pulse and saying to the relatives or to the friends, 'He is in great shape, he just passed away but everything is in great shape. His heart just stopped beating.' And so they do the same thing, Mr. Chairman, with the Government of Canada. And he just made this great Tory statement that, 'Oh, all the Government of Canada does is collect the money and they distribute it around to the other provinces, they distribute it around'.

DR. COLLINS: You do not want (inaudible) provision.

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN (BAIRD): Order, please!

MR. NEARY: Mr. Chairman, that is exactly the point that we are making. We heard the Premier complaining again today about DREE reducing its funding in Canada. And I might say, just for the benefit of members of the House, that that was another piece of deception. DREE has reduced its spending in Canada but Newfoundland still gets the lion's share. That is what he did not tell the House. And so here we have the Government of Canada paying \$900 - now this is just equalization payments alone I am talking about. I am not talking about the Canada

MR. NEARY: Assistance Plan whereby the Government of Canada pays 50 per cent of the cost of welfare in this Province. We have to keep reminding hon. gentlemen of that. The Government of Canada pays 50 cents out of every dollar that is paid in welfare in this Province. Then you have the old age pensions, the veterans allowances, the old age security. You have Canada Pension, you have unemployment insurance benefits, you have health plan benefits. I am not talking about any of that at all. That runs up into billions of dollars. What I am talking about, Mr. Chairman, is equalization grants. And the Government of Canada in equalization

4637

MR. NEARY: grants alone will pay approximately - do not hold me to the exact figure, Mr. Chairman - the Government of Canada will pay approximately \$900 for every man, woman, and child in this Province this year, and \$900 for every child that is born in this Province this year.

MR. TULK: Approximately \$4,500 for a family of five.

MR. NEARY: For a family of five that is approximately \$4,500 a family.

And, yet, day in and day out the Premier and ministers clobber the Government of Canada. And the Minister of Finance (Dr. Collins) just, in his simplicity, in his innocence, just put his finger right on a very important point.

MR TULK: Childlike innocence.

MR. NEARY: Childlike innocence. It is the Government of Canada and the ministers that decide how the money will be distributed. And, Mr. Chairman, if you were sitting up there in Ottawa and you were the Prime Minister of this country and you were a minister in the Government of Canada and you heard the statements that emanate from this Province and you heard - if you were the Prime Minister and you heard that Newfoundland was going to finance a synchrolift for Canadian National Railway, the wealthiest Crown Corporation in Canada, if you heard that in Ottawa, and you heard ministers day in and day out telling the Government of Canada and the Prime Minister of Canada to go jump in the lake, and if you heard in Ottawa of all the oil that we have down here, all the prosperity that is springing up from all of the oil that we have, if you were up in Ottawa and you

MR. NEARY: were a minister and you were a member of the House of Commons and you were trying to get things for your riding, would you not go to the Government of Canada and say, 'Well, they do not need anything in Newfoundland right now, they have oil.' And the Premier of Newfoundland tells us as he goes across Canada, around the world, as a matter of fact, telling everybody how rich we are going to be, how rich we are going to be, would that not be enough to shut off the valve, Mr. Chairman? Would that not be enough to stop the flow of dollars into this Province? Would it not, Mr. Chairman?

How can the Government of Canada justify spending millions and millions and millions of dollars in Newfoundland, that this crowd are asking for day in and day out for various and sundry projects? How can they justify it in the eyes of Canada when out in British Columbia they think we are rich down here, they think we are wealthy? In Alberta they think we are just the same as they are, except we do not wear the hats, the big Stetson hats.

MR. TULK: We have them down here now.

MR. NEARY: In Manitoba - that is right, and some of them are getting here now. In Manitoba and Saskatchewan, do they not think that we are rich down here, we are wealthy, we are up to our eyeballs in oil?

It is flowing, the oil is flowing down here, we do not need help. Ontario, that is going through an economic crisis at the moment, that has managed to keep Newfoundland afloat over the years, do you not think that the people of Ontario would look rather askance at the Government of Canada if they poured all the millions in here that this crowd are asking for? - and then out of the other corner of their mouths saying, 'Oh, we are rich, we are wealthy. We are not going to have a thing to worry about when the oil starts flowing.' Mr. Chairman, do you not think this is having an impact and an effect on the Government of Canada, the insults that are hurled every day at ministers and the Prime Minister of this country in a cowardly way in this House? And then financing the synchrolift for a Canadian Crown corporation, the wealthiest corporation in the whole of Canada - the Government of Canada was prepared to go ahead, had money in the estimates for it. But this crowd let the Government of Canada off the hook and said -

MR. BARRETT: They withdrew it.

MR. NEARY: They did not withdraw it.

MR. BARRETT: They did withdraw it.

MR. NEARY: They did not withdraw it, it was in the estimates.

MR. BARRETT: (Inaudible).

MR. CHAIRMAN (Butt): Order, please!

MR. NEARY: Mr. Chairman, if I can just wind up this part of my few remarks and hope that one of my colleagues will intervene for a few moments so that we can have another go.

MR. CHAIRMAN (Butt): The hon. the member for
St. John's North.

MR. CARTER: It might be useful at this point if we were to make a list of the amount of money that this Province gives to Ottawa each year, and I am using the elaborate budget book to make a few calculations. I have just made three calculations and the total figure is approaching \$1 billion.

The personal income tax that is collected by this government is \$196 million. This is collected by the federal government and it is 58 per cent of the federal sales tax. Now, a little simple, back of the envelope arithmetic will show you that if that is 58 per cent of the

MR. CARTER: federal personal income tax, the total federal income tax is approximately \$320 million that is sent to Ottawa each year by the taxpayers of Newfoundland. That is one figure.

MR. NEARY: By the individual taxpayers.

MR. CARTER: That is one figure. No, that is - well, just hear me out. That is one figure.

MR. STIRLING: You are saying that the federal share is \$320 million.

MR. NEARY: Yes, exactly.

MR. CARTER: Yes, the federal share of the income tax is \$320 million. We collect \$196 million, the federal government pays to us, because that is the way the provincial income tax is collected.

MR. BARRETT: That is not all, it is in addition to.

MR. CARTER: Now, then, the retail sales tax certainly is entirely provincial. It is \$286 million this year. But members should not forget that there is a federal income tax of 11 per cent.

MR. BARRETT: Federal sales tax.

MR. CARTER: Federal sales tax, I am sorry, federal sales tax. The provincial sales tax, there are a lot of exemptions. There is nothing on food, there is nothing on clothing, there is nothing on a number of things. But the federal sales tax, there is very, very little that is exempt from federal sales tax. One of the few things is some of the hardware that farmers and fishermen use. But except for that, I cannot think of anything that is exempt from the federal sales tax. So I think we are perfectly safe in assuming a figure of about \$300 million paid by this Province as federal sales tax. And I say that is a very conservative figure because I have not included what businesses probably pay. Now, that is figure

May 19, 1981

Tape No. 1673

IB-2

MR. CARTER:

number two, that is \$300 million.

Now, then the corporate income tax that we collect is \$41 million. Our rate, I am told, is 14 per cent. But the federal rate of business tax is 50 per cent. It is 25 per cent for small businesses but it is 50 per cent for large businesses. Therefore, it does not take much imagination to produce a round figure of \$300 million for the federal share of corporate income tax. So there is \$300 million, \$320 million and \$200 million for a total of \$820 million. So do not let members

4643

MR. CARTER: think that it is all a one-way street. Well, I would like hon. gentlemen to try and pick holes in those figures.

MR. NEARY: Sure they pass us back our share of the provincial -

MR. CARTER: Sure they pass us back a lot -

MR. NEARY: - income tax. They send us back a share of it.

MR. CARTER: and I am not saying that they do not pass us back more, but we are still paying a considerable -

MR. STIRLING: (Inaudible) never said we were good Canadians.

MR. CARTER: - we are still paying a considerable amount to Ottawa and the balance -

MR. NEARY: Our provincial income tax is the highest in Canada.

MR. CARTER: - I would say that the balance, the excess that Ottawa pays to us is not all that great, not nearly as great as hon. gentlemen would pretend, and I am told that the figures in the Department of Finance are much more extensive than this and I am sure the minister will produce them the next day that this debate comes forward. I think hon. members will be very, very interested -

MR. STIRLING: Why are they not ready now? Those are good figures.

MR. CARTER: - and rather upset. Well, we assume that members would be able to see the obvious. It only took me sixty seconds to arrive at those figures. They are here as plain as the nose on the hon. gentleman's face and as plain as the -

MR. STIRLING: That is about as much time as the Minister of Finance (Dr. Collins) put into it, too.

MR. CARTER: Anyway, with those few points, Mr. Chairman, I will allow another member of the Opposition to get up and deliberately mislead the House.

MR. NEARY: Mr. Chairman.

MR. CHAIRMAN (Butt): Order, please! The hon. member will have to take that back.

MR. CARTER: Ah, certainly. I did not say anyone had misled. I forecast that someone would mislead the House and I do not know if this should be withdrawn.

MR. CHAIRMAN: The hon. member from Grand Bank.

MR. THOMS: A point of order, Mr. Chairman. The Speaker of this House has already ruled that when you withdraw something, you withdraw it unequivocally. You do not stand up and give a wishy-washy withdrawal. The Speaker has already made that ruling. Now, he is either to abide by the rulings of the Speaker or fling him out!

MR. CARTER: I did not withdraw, Mr. Chairman, because I -

MR. CHAIRMAN: Order, please!
On a point of order, the hon. member for St. John's North.

MR. CARTER: - did not say anyone deliberately misled the House. I merely predicted that someone would mislead the House and I do not mind predicting that they would like to mislead the House, but I do not think they have yet, and I certainly would not make that implication.

MR. CHAIRMAN: The hon. member for Grand Bank. There is obviously no point of order. The hon. member for Grand Bank -

MR. THOMS: Thank you very much.

MR. CHAIRMAN: - has about five minutes.

MR. THOMS: Five minutes. Thank you very much, Mr. Chairman.

I wanted to say a few words before the debate is over this afternoon because I was late getting to the House this afternoon and I was not here when the Premier gave the Ministerial Statement regarding

May 19, 1981

Tape No. 1674

GS - 3

MR. THOMS: the government's efforts to obtain
DREE funding. I was wondering, Mr. Chairman, if this particular
statement had been approved by the member for Stephenville
(Mr. Stagg) because, as I read the summary, I see that the
Premier says that this Province has been and still is a

4646

MR. THOMS: strong supporter of the General Development Agreement approach. This government has consistently and repeatedly made its position known to Ottawa, and that the government have on numerous occasions verbally and formally at the ministerial level and at the officials level tried to convince the federal government of the urgency to sign new DREE agreements.

Yet in Corner Brook not too long ago, when the Select Committee on DREE met in the city of Corner Brook, a member of the Tory government or a member of this group of individuals across the way, the member for Stephenville (Mr. Stagg), I thought he was speaking with the blessings of the Premier of this Province, I thought he was speaking with the blessing of the Minister of Finance (Dr. Collins), and the Minister of Education (Ms. Verge) who represents a Corner Brook district, I thought he was speaking with the blessings of the member for Humber West (Mr. Baird), that he was speaking on behalf of government members -

MR. BAIRD: No, we all speak for ourselves.

MR. THOMS: No, you speak only when you are told to speak and then you are told what to say and you get up and you mouth and you pout.

MR. BAIRD: No, I am not a Liberal.

MR. THOMS: Now, Mr. Chairman, I assumed -

MR. NEARY: A puppet on a string.

MR. THOMS: - that the member for Stephenville -

MR. NEARY: They are all puppets.

MR. THOMS: - at that time was speaking for all government members, including Your Honour, all government members, I assumed he was speaking on behalf of the Cabinet minister for Corner Brook, I assumed he was speaking on behalf of the Premier of this Province, I assumed he was speaking on behalf of the

MR. THOMS: Minister of Finance (Dr. Collins) -

MR. BAIRD: (Inaudible) your assumptions were all
(inaudible).

MR. THOMS: - when he said, and the member for Humber
West (Mr. Baird) cannot deny this, when the member for
Stephenville (Mr. Stagg) went into Corner Brook, went before
that Select Committee and he told that Select Committee that
this Province did not need DREE. He said, 'We do not need
your funds. We do not want your money. We do not want it.'

AN HON. MEMBER: More fairy tales.

MR. THOMS: It is not fairy tales, ask the
member for Humber West. The hon. member for Humber West was
there and heard what went on, when the member for Stephenville
said, 'We do not want DREE . Do away with it. Throw it in
the ocean. We do not want the money from Ottawa'.

MR. TULK: Is that what he said?

MR. THOMS: This is what he said.

MR. WARREN: What?

MR. THOMS: This is what he said. And I
assumed , Mr. Chairman, I assumed that he was speaking on
behalf of the government.

MR. TULK: Was the minister there?

MR. THOMS: Unfortunately, Mr. Chairman, it is
one minute to six, I will give Your Honour an opportunity to
report to the House.

MR. NEARY: Move the adjournment.

MR. THOMS: I move the adjournment

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

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

MR. CHAIRMAN(Butt): Mr. Speaker, the Committee
of Supply have consider the matters to them referred, have made
some progress on Head I, Consolidated Fund Services, and ask
leave to sit again.

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

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

MR. OTTENHEIMER: Mr. Speaker, in consultation with the House Leader for the Opposition (Mr. Hodder), it is my understanding that a number of members on both sides of the House wish to attend the funeral of the Late Mr. Walter Marshall tomorrow. I would therefore move that the House adjourn until 3:00 p.m. Thursday.

MR. SPEAKER: Is that agreed?

HON. MEMBERS: Agreed.

On motion, the House at its rising adjourned until tomorrow, Thursday, May 21, 1981 at 3:00 p.m.

I N D E X

ANSWERS TO QUESTIONS

TABLED

MAY 19, 1981

ANSWER TO QUESTION ON ORDER PAPER OF MAY 4, 1981

For the Fiscal year 1979-80

*(1) New Zealand - November 16 - December 2, 1979 - \$1,308.61:

To represent Canadian Provinces at Meeting of the Executive Committee of the Commonwealth Parliamentary Association, followed by Annual Meeting of the Commonwealth Parliamentary Association.

(2) United Kingdom - January 24 - February 5, 1980 - \$2,301.73

To hold discussions with officers of the prosecutorial service, law enforcement agencies, and those concerned with offshore law enforcement

*My round trip air fare from St. John's to New Zealand was paid by the London based headquarters of the Commonwealth Parliamentary Association since I attended the meeting in my capacity of Representative for the Canadian Provinces on the Executive Committee of the Commonwealth Parliamentary Association.

For the Fiscal Year 1980-81

- *(1) Jersey - April 17 - April 29, 1980 - \$1,081.97:
To represent Canadian Provinces at the Meeting
of the Executive Committee of the Commonwealth
Parliamentary Association.
- *(2) Zambia - September 16 - October 5, 1980 - \$2,683.88:
To attend meetings of the Executive Committee
of the Commonwealth Parliamentary Association
followed by Annual Conference of Commonwealth
Parliamentary Association
- (3) United Kingdom - January 18 - February 1, 1981 - \$2,446.95
To hold meetings with U.K. Members of Parliament,
members of Select Committee, with reference to
Province's Constitutional position.

*My round trip air fare from St. John's to Jersey and from
St. John's to Zambia was paid by the London based headquarters
of the Commonwealth Association since I attended the meetings
in my capacity of Representative for the Canadian Provinces on
the Executive Committee of the Commonwealth Parliamentary

the Table of the House the following information:

What is the number of journeys involving public business which he has made since March, 1979 to places outside Canada, showing for each journey:

- (a) the names of the countries visited;
- (b) dates of the journey;
- (c) the total cost to the Government for hotel accommodations, meals, ground and air transportation and other expenses;
- (d) whether or not any member of his staff, or any other person, accompanied him for all or a portion of his journey, and if so
 - (i) what is the name of each such person;
 - (ii) what is the title of the position each such person holds or held;
 - (iii) what was the total cost to the Government for hotel accommodations, meals, ground and air transportation and other expenses for each such person.
- (e) the nature of the public business attended to on the journey?

ANSWER: Number of journeys - 6

(a)	(b)	(c)	(d)	(e)
New York	April 20-22, 1980	\$823.59	N/A	Power Commission Meetings
Houston, Texas	May 4 - 8, 1980	1,683.55	N/A	Petroleum Conference
New York	August 6-8, 1980	958.30	N/A	Power Commission Meetings
New York	Nov. 20-22, 1980	1,186.17	D.G. Norris Deputy Minister \$720.09	Visiting business community re Upper Churchill
Paris	January 18-22, 1981	2,703.40	D.G. Norris, D.M. \$2,492.40 G. Gill, A.D.M. \$2,151.00 Victoria Collins, Daughter - Nil.	Eurodollar bond issue " " " " " "
Boston	January 22-29, 1981	675.04	D.G. Norris, D.M. \$538.60.	Visiting Hancock Insurance re Upper Churchill