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HOUSE OF ASSEMBLY

FOR THE PERIOD:

3:00 p.m. - 6:00 p.m.

MONDAY, MARCH 21, 1983.

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Russell): Order, please!

ORAL QUESTIONS

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

MR. NEARY: Mr. Speaker, I would like to direct a couple of questions to the hon. the Premier in connection with the restructuring of the processing sector of the fishing industry which comes under provincial jurisdiction. The administration, especially the Premier, have been advocating that they would like to run an open and a frank administration, put everything up front. In the offshore oil, they go around the Province holding discussions and getting input from people and dialogue from communities that may or may not become service communities for the offshore and so forth and so on. But, Mr. Speaker, in connection with our most basic industry, that same dialogue and that same openness and that same up front is not there, it is missing, it is lacking. So I would like to ask the hon. the Premier why decisions in connection with the restructuring of the processing sector of the fishing industry, why their decisions are being taken behind closed doors in Ottawa and here in St. John's?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, first of all, I would like to inform the Leader of the Opposition that it is not a restructuring of the processing sector of the Newfoundland fishery that is at stake here. It is a restructuring of some of the operations of companies whose operations are based upon the offshore fishery, which is a different thing completely. If

PREMIER PECKFORD: we were talking about matters in terms of what the Leader of the Opposition is saying, then we would be talking about a whole range of processing plants in Newfoundland that are not a part of it at all, for example, many of the small plants around the Province ; we would be talking about Janes in Hants Harbour, we would be talking about Eveleigh in Comfort Cove, we would be talking about Boyd Way and his Beothic Fisheries in Valleyfield, we have been talking about a whole range of small plants on New World Island and down on the French Shore, we would be talking about plants over on the West Coast and so on. So it is not accurate to say , as the Leader of the Opposition has said, that we are talking about a restructuring of the processing sector.

PREMIER PECKFORD: We are talking about a restructuring really of the offshore fishery, and one of the components, one of the many components in the offshore fishery is the processing sector. Another component of the offshore fishery is the trawlers, another component of the offshore fishery is the quotas. So we are talking about a restructuring of an offshore fishery, 80 per cent of which is controlled by the federal government. We are not talking about a restructuring of the processing sector. And this is where the Leader of the Opposition (Mr. Neary) and some of the hon. members on the other side, trying to defend the indefensible, trying to defend the fact that the federal government should have the majority power over the fishing industry of Newfoundland, go on to try to then blame things upon the provincial government.

Our sole jurisdictional responsibility is with processing plants, but having that kind of power over a processing plant means nothing; if you have no say over the trawlers, if you have no say over the quotas, it becomes meaningless.

So what has happened, Mr. Speaker, is because the federal government has the significant say in this offshore fishery, the federal government a couple of years ago appointed the Kirby Commission. Now, that de facto recognized that the federal government must have the majority of say, otherwise why did they appoint the Kirby Commission in the beginning? And after that Kirby Commission was completed, or during the course of its hearings, there arose a number of financial problems with some of the companies who prosecute the offshore fishery, and the federal government stepped in to say, 'We will look

PREMIER PECKFORD: after some of these companies until we are able to deal with it.'

The Kirby report came out and now the federal government initiated through Mr. Kirby again, hiring Price Waterhouse Limited and a number of other companies, I think McLeod, Young, Weir, to look at trying to do something with some of these offshore companies who were in trouble and to see whether you could restructure the offshore fishery.

So this whole business was initiated by the federal government exercising the responsibility that they have - which we do not agree with, by the way; we agree they have too much power over the fishery of the Province of Newfoundland and Labrador and more of it should be shared with us. But at the present moment they do have the majority of the say and, therefore, they are exercising their power, they are exercising their authority, they are exercising their jurisdiction. So they initiated the study. They have initiated the restructuring. And they asked all the other participants in the East coast fishery, the Newfoundland fishery, to get involved on their terms. On their terms they initiated it. So, Mr. Speaker, we have been

PREMIER PECKFORD:

trying to deal with the situation under the terms and condition set down by the federal government, since they had more say over it than we did. And a couple of weeks ago, after the Price Waterhouse people finished their study and presented it to the federal Cabinet Committee that was struck to deal with this problem - the Cabinet Committee is Chaired by Mr. Don Johnson and has other members including the President of Treasury Board, Mr. Grey, including the Deputy Prime Minister, Mr. MacEachen, including the former Fisheries Minister, Mr. LeBlanc, including the present Fisheries Minister, Mr. De Bane, and including Newfoundland's representative in the federal Cabinet, Mr. Rompkey, and Mr. Lalonde, the Minister of Finance, is also a member of that committee - and they met with the companies, they met with Price Waterhouse and received their report upon the financial state of these companies, and they met with the banks and the union and met with the other provinces, New Brunswick, Prince Edward Island and Nova Scotia. All these people, organizations or groups were asked to submit - to whom? - to the federal government their position on a restructured offshore fishery. We did not wish to, as the Government of Newfoundland, because we have \$60 million or \$70 million outstanding now because they were talking about Newfoundland more than any other province; we wished to hear what everybody else had to say in the same way the federal government wanted to hear what everybody else had to say and after that we would be willing to sit down with the federal Cabinet Committee. We asked the federal government at that time could we be observers at those meeting so that we would not have to duplicate this process of meeting with all those groups. The federal government turned that down and so last Wednesday, I think it was, we initiated the same process that the federal government had. So we sat down down-

PREMIER PECKFORD: stairs here and met with the companies Price Waterhouse, the banks and the union, all separately, and heard what they told the federal government a week before. This morning, Mr. Speaker, I spoke to the Chairman of the federal Cabinet Committee, Mr. Johnson, on the phone and indicated that we now wish, as the Government of Newfoundland, to sit down with the Government of Canada and review the situation as it stands right now. Review the submissions by Price Waterhouse, review the submissions that were presented by the union, by the companies and by the banks and see whether we can work out a plan which is acceptable to both governments and hopefully before this week

PREMIER PECKFORD:

is out we will have a time and place where both governments can get together on the idea of a restructured offshore fishery over which the federal government has the majority of control.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Russell):

The hon. Leader of the Opposition

MR. NEARY:

The question still remains

unanswered. The question I put to the hon. gentleman was this; why are these discussions being held behind closed doors? Why are the communities that are involved - and here we are talking about a way of life, a tradition, and a culture that is built around the fishery that stands to be wiped out - why are these communities, like Fermeuse, Burin, Ramea, Gaultois, Grand Bank, St. Lawrence, and Harbour Breton, why are these communities not brought into the confidence of the hon. gentleman? Why is there not dialogue, why is there not debate in the Province because of the seriousness of the situation? In the case of oil, every community in Newfoundland is allowed input by various committees travelling around the Province and so forth, so why is this being done behind closed doors?

And I am amazed, Mr. Speaker, to hear the hon. gentleman say that the provincial government is only now started to develop plans. The Minister of Fisheries (Mr. Morgan) has been in Ottawa a number of times, the Premier has been in Ottawa a number of times and met with Mr. De Bane and other ministers in Ottawa to discuss these matters. Now is the hon. gentleman saying - let me put it in a positive way; does the provincial government have a position at the moment on the restructuring of the offshore fishery? Does it have a position? Does the provincial government have a position? If they do, would the Premier outline that position for the House and for the people of this Province?

MR. SPEAKER (Russell):

The hon. Premier.

PREMIER PECKFORD:

Mr. Speaker, number one, the reason why there is not public hearings is because it is a federally initiated process , and that federally initiated process has not involved public hearings. Now that is the long and short of it, Mr. Speaker, it was initiated by the federal government. Both the Kirby Task Force, and more particularly the restructuring plan that is now being talked about, is a federally initiated process, so much so they asked us to attend in the same role as the union was being given, and we refused it. Now we have, the Minister of Fisheries (Mr. Morgan) and other people - I was in Burin myself several weeks ago -

PREMIER PECKFORD: we are aware and are in constant contact with the committees and so on that are involved in Burin, Grand Bank, Gaultois, Harbour Breton and Fermeuse. And we have met with them from time to time. They can get to meet with us. The only time they can meet with some of the federal people is when they are down here on something else and they are shovelled in through one door and out through another door to say hello and shake hands to a federal minister. There is no kind of process. But the reason why there is not the openness that this government prides itself on, Mr. Speaker, is primarily because the process is initiated by the federal government and the federal government has most of the say over this problem. That is the long and short of it. Now I know the Leader of the Opposition (Mr. Neary) does not want to hear that. He wants to be able to try to hoodwink the people of Newfoundland into believing that the Province has more say over the fishery than the federal government, but that is not so. We gave away that jurisdiction a long time ago and it belongs to the federal government, who have to exercise it.

Now last week, the answer to the next part of the Leader of the Opposition's question, last week we received submissions from the companies, we received a submission from the union, we received a submission from the banks, and we know the submission from the Province of Nova Scotia, the Province of New Brunswick and the Province of Prince Edward Island. Since last Wednesday, we have met on several occasions, as late as a couple of hours ago for three or four hours, to examine all of this information and to decide what the position of the Government of Newfoundland and Labrador is going to be. We have initiated communication with the

PREMIER PECKFORD: Chairman of the Federal Cabinet Committee to say to the federal government, 'We will be in a position later this week to indicate to you what our position is on this whole question that you have initiated by the end of the week, and we would wish to have a meeting with your Cabinet Committee to discuss what the position of the Government of Newfoundland is going to be.'

MR. NEARY: Supplementary, Mr. Speaker.

MR. SPEAKER (Russell): Supplementary, the hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, since when did the hon. gentleman keep quiet when it comes to federally initiated studies and the like? In this particular instance the hon. gentleman has been conspicuous by his silence, because I suspect a conspiracy here, Mr. Speaker -

MR. ROBERTS: A conspiracy of silence.

MR. NEARY: - a conspiracy of silence on the part of the hon. gentleman.

Mr. Speaker, we are told now by the hon. gentleman that they only started last Wednesday to develop a plan for restructuring in the industry, The problem has been there, Mr. Speaker, anywhere from eight months to a year and it was only last Wednesday that the Province started to develop a plan of attack, Mr. Speaker. This is outrageous. But, Mr. Speaker, the hon. gentleman keeps referring to jurisdiction. Mr. Speaker, I want to ask the hon. gentleman a question in connection with that.

MR. NEARY: Mr. Speaker, is all the talk that we hear in the streets from Burin, and from Grand Bank, and Fermeuse, and Ramea and Gaultois, and Harbour Breton, is the talk correct that the provincial government have abrogated authority to the federal government in the one area of the fisheries which comes under jurisdiction of the provincial government, and that is the processing sector. Have they given up their rights to the federal government in this regard?

MR. HODDER: That is what they are doing.

MR. NEARY: And if not, why has it taken so long -

MR. TOBIN: Go back to St. Lawrence.

MR. NEARY: - why did it take right up to last Wednesday before the provincial government recognized that the processing sector came under provincial jurisdiction?

MR. HODDER: They are even keeping you guys in the dark. You are being kept in the dark too.

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

PREMIER PECKFORD: Mr. Speaker, I find it very, very amusing that the Leader, or interim leader, or temporary leader of the Liberal Party of this Province would talk about this government abrogating its responsibility to the federal government of Canada when they are the very people suggesting somehow or another that they are on the side of Newfoundland for having more power, when day after day in this House and throughout this Province for the last five or six or seven or eight or ten years, we have seen the Liberal Party of Newfoundland want to give away more to the federal government than this government here wants to give away.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Oh, sure the Leader of the Opposition (Mr. Neary) gets up and talks about us giving away or abrogating our responsibility over the processing sector of the fishery, when he gets up day after day and defends the federal government for having all its power over the fishery. The federal government has more power over the fishery in Newfoundland than it has over the Province of Quebec. What is that, Mr. Speaker? Let me ask the Leader of the Opposition that question : How come the people in Quebec have more say over their fishery than the people of Newfoundland? We have been arguing for the last four or five years for more say over the fishery.

It is no good to have control over giving a licence to a fish plant if you do not have control over the fish that is supposed to go into that fish plant.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: A bunch of white elephants, that is the kind of power we have. The real power comes to where is the fish going to go? And who has the power to decide where the fish is going to go? The trawlers, who has the power over licencing the trawlers? It is the federal government. Who has the power over setting the quotas? It is the federal government. You can have a fish plant in every settlement in Newfoundland, but unless the federal government tells you you can take that fish and bring it into Burin, or bring it into Harbour Breton, it is no good to have a fish plant, Mr. Speaker, no good at all to have a fish plant. That is number one.

Number two, Mr. Speaker, the Leader of the Opposition should realize that the Minister of Fisheries (Mr. Morgan), myself, and others for the last six or eight months have been the people who have been seeing these delegations from the communities which are being affected right now with closures and so on.

PREMIER PECKFORD:

It was Yours truly, here, Mr. Speaker, who went to Burin and argued with the federal government to tell - because they had the power to tell them - to tell Fishery Products not to decide to close Burin until the whole restructuring was done. Who was it, Mr. Speaker? It was this government who said tell Fishery Products not to decide on any plant closures until the full restructuring was done. Perhaps it would not be Burin, perhaps there would be no closures, perhaps it would be another place! Wait until the full restructuring was done.

Mr. Speaker, we have not abrogated our responsibility. We want more responsibility, not less. We want more say over the fishery, not less. That is what we are arguing for, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: We would not be in the mess now, Mr. Speaker, if this Province had more say over the fishery. We would not be in the mess we are now, that is the whole point. So the hon. the Leader of the Opposition (Mr. Neary) cannot have his cake and eat it too; when it is convenient for him to try to say, 'Okay, the Province should have more say,' to suddenly suggest that we should, and then most days of the week say that we should not have any more than we have right now - he cannot have it both ways.

MR. NEARY: Time will tell.

PREMIER PECKFORD: Time will tell. Exactly!

And we will see, Mr. Speaker, where the Liberal Party and those eight lost souls will sit when the position of the Government of Newfoundland is known. Watch them worm then, Mr. Speaker! Watch them worm then when we come out with our position on the fishery.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: I would suggest to the Leader of the Opposition (Mr. Neary) not to speak too courageously and dig a hole for himself today or tomorrow. The reason, Mr. Speaker, we have been taking our time on this matter is like on most things, we do not argue until we have our homework done.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Now, Mr. Speaker, we have our homework done and that homework, Mr. Speaker, involves this, making sure we have every piece of data from Price Waterhouse and feed back into that computer the necessary data we want. We want to know exactly where the union sits, we want to know exactly where the companies sit, we want to know exactly where the federal government sits, because it is about the fish that have been traditionally caught by Newfoundlanders since 1497 that we are talking about.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: We are not going to make up our minds until we know where everybody else stands and then we will make up our minds. Then we will have all the information. But, Mr. Speaker, I will challenge the Opposition that when our position is known they will not worm like they are doing on the offshore, not worm like they do on hydro transmission, not worm

PREMIER PECKFORD: like they do on DREE agreements and the Shoe Cove Satellite Station and a whole bunch of other things. We will see again whether the Liberal Opposition has the courage of their convictions to take a stand against their cocfreres in Ottawa for the betterment of this Province.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, obviously I have touched a very sensitive nerve with the hon. gentleman. When the hon. gentleman starts acting silly and getting personal and ranting and raving, I know I have touched a nerve, Mr. Speaker. The hon. gentleman can get as personal as he wants but he is not going to intimidate the Opposition. The fact of the matter is, Mr. Speaker, the message that is coming out now is it was only last Wednesday that the provincial government started to plan for restructuring. Now, what about public debate? Forget the Opposition, Mr. Speaker, but once the Province develops its plans, will there be public debate or will the decisions be made behind closed doors? Will there be a conspiracy between the Province and Ottawa? What about further processing that the Premier used to tell us about? That comes under provincial jurisdiction. What about holding units so that fish can be distributed to the plants and they not all be seasonal operations? What about producing the finished product in Newfoundland rather than have further

MR. NEARY: processing in Boston when there are two big fish companies in Newfoundland? Why has the hon. gentleman been so quiet on these things of late, Mr. Speaker?

MR. HODDER: He has been noisy on other matters but quiet on this issue.

MR. SPEAKER (RUSSELL): Order, please!

MR. NEARY: Mr. Speaker, a lot of the problem with Newfoundland plants is that -

MR. HODDER: The Minister of Fisheries (Mr. Morgan) has been quiet as well. It is very strange that the Minister of Fisheries should be quiet about restructuring

MR. SPEAKER: Order, please!

MR. NEARY: A lot of the problems, Mr. Speaker are because the plants are seasonal operations. That item comes under provincial jurisdiction, the question of distribution of the fish to the plants holding the fish for processing other than in the glut season. Right now we are in the glut period on the Southwest Coast in the middle of the Winter fishery and the fish plants are going crazy trying to process the fish. Mr. Speaker, that comes under provincial jurisdiction. Why could we not have holding units to process the fish at a later date? Let me ask the hon. gentleman this, Mr. Speaker. So far I have not gotten a straight answer from the hon. gentleman but I am going to ask the hon. gentleman another question. On page 18 of the Budget the Minister of Finance (Dr. Collins) talks about minimizing effects of plant rationalization. Now could the hon. gentleman -

MR. HODDER: That is the plant rationalization that is going on up there right now.

March 21, 1983

Tape No. 428

MJ - 3

MR. S. NEARY: That is right.

MR. J. MORGAN: Up where?

MR. J. HODDER: In Ottawa.

MR. MORGAN: In Ottawa you mean?

MR. HODDER: Yes, and you know about it.

MR. SPEAKER (Russell): Order, please!

MR. NEARY: On the weekend, Mr. Speaker, I
took the Budget and I went through it item by item.

MR. NEARY: and word by word. Now could the hon. the Premier tell this House and tell the people of this Province -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER (Russell): Order, please!

MR. NEARY: - Professor Montgomery will deal with the hon. gentleman and the Minister of Fisheries (Mr. Morgan) in due course.

SOME HON. MEMBERS: Hear, hear!

MR. HODDER: And the Board of Trade.

MR. SPEAKER: Order, please!

MR. HODDER: And the Medical Association.

MR. NEARY: He is an expert on international finance.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. NEARY: Mr. Speaker, they will have to put stronger than the Minister of Fisheries up against Professor Montgomery.

MR. SPEAKER: Order, please!

The Chair, I think, today has allowed quite a bit of leeway in answering and asking questions. Question Period is drawing to an end and I would ask the hon. Leader of the Opposition (Mr. Neary) to be more specific with his question.

MR. NEARY: Yes, Mr. Speaker, thank you.

I would like to ask the hon. the Premier where in the budget is there fiscal provision to deliver on that promise that was made on page 18, on minimizing the effects of plant rationalization? Where in the budget is there provision to deliver on that promise?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker,

I find this really, really odd. If, for example, we came into the House today, which we might do in the next week or two-and said anything at this point in time, before the process that we are involved in about restructuring the offshore fishery was completed, if we said anything, even hinted before we had all our homework done and before everybody else had all their homework done, we would be accused of being confrontationists, anti-Ottawa separatists.

SOME HON. MEMBERS:

Hear, hear.

PREMIER PECKFORD:

We would be classed as being separatists. Here goes the Premier again, here goes the government again attacking Ottawa every day, that is all they can do is attack Ottawa. Now that is the approach they would take. Now when we do not do that, I get the distinct impression from the hon. member for Port au Port (Mr. Hodder), who talked about way up there in Ottawa, the very man who accuses me of being somehow separatist and confrontationist with Ottawa, that there is some mischievous deal being cooked up in Ottawa. Well, let me inform the hon. member, since he is newly come to the Province, they have been cooking up things against Newfoundland for years and the hon. member knows it.

SOME HON. MEMBERS:

Hear, hear.

PREMIER PECKFORD:

They have been cooking up things against us for years. The hon. member over there can squirm and worm now all he likes. He goes along and supports them, and when it comes next week or the week after on this restructuring and we take a stand and Ottawa takes a stand we will hear the parrots over here being called by the head of the Liberal Party of Canada, "Get in line, get against the Government of Newfoundland. Call them separatists, call them against Canada, call them bad Canadians." That is what they will come up with, Mr. Speaker

PREMIER PECKFORD: Now, all of a sudden, they come into the House today to start off their Question Period talking about how Ottawa is contriving against Newfoundland. When did they suddenly wake up, Mr. Speaker?

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: When did they suddenly wake up? This has been ongoing for a long while. But, Mr. Speaker,

PREMIER PECKFORD: we want our homework done so that when we take a position we can defend it in the streets and in the hills and in the valleys, and in the coves and in the harbours of Newfoundland. That is why, Mr. Speaker, I say -

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: - let the Opposition not put words or put devious motives out before they know where we stand.

MR. HODDER: You know more than you are saying.

PREMIER PECKFORD: Well, we have them on the go now. They will not even let me answer. Come on, Mr. Speaker, let them come on with it.

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: Do they want an answer, Mr. Speaker, or do they not? Last Wednesday - we have been working on this for six months - we got the final figures -

MR. HODDER: Why do you not debate it?

PREMIER PECKFORD: Because we have not organized our position yet. Because we only got the figures last Wednesday. And we got the union's position last Wednesday, we got the companies' position last Wednesday, and we still do not have the federal government's. And when that resource happens to be a resource that we are more involved in than anybody else, we want to know everybody else's position first, because we are the ones who are going to be impacted the greatest. That is the whole point.

MR. HODDER: Why do not the Newfoundland fishermen's position -

PREMIER PECKFORD: All of a sudden the member for Port au Port, because he had heat over the weekend, Mr. Speaker, the hon. member for Port au Port got some heat over the weekend

PREMIER PECKFORD: and now he is back in town, now he came back to St. John's, Mr. Speaker, with a lot of heat on because the people of his area know, as all of Newfoundland now knows, the federal government, and Mr. Tobin, and Mr. Rompkey, and Mr. Baker, and Mr. Simmons, have all been asleep for the last two years over something that affects Newfoundland. That is the reason. And now who does he turn to?

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: He turns to the only place he has got left, the people who hardly got any control over the fishery, the poor Newfoundland Government, the very government that he attacks for having any more jurisdiction over anything.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Russell): The hon. Leader of the Opposition
afinal supplementary.

MR. NEARY: A final supplementary,
Mr. Speaker, I am afraid that we are headed again for failure.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: The hon. gentleman has had one failure after another, one disaster after another, and, Mr. Speaker, it looks to me like we are headed for another failure. Now the hon. gentleman made a statement that they have to know the views of the other parties first. I would submit, Mr. Speaker, the reason the hon. gentleman said that was that he wants to get the views of the other parties first so he can play his little political games, so he can blame things on the other parties. Mr. Speaker, the processing sector comes under provincial jurisdiction, and now, Mr. Speaker, much to our dismay we are finding out there are no plans, no debate, no financial

MR. NEARY: provision to take care of the restructuring, Mr. Speaker, and we are amazed at the quietness in this regard of the hon. the Premier and the hon. Minister of Fisheries (Mr. Morgan). When it comes to federal/provincial relations, or federal/provincial matters -

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

MR. SPEAKER (Russell): Order, please! The hon. President of the Council, a point of order.

MR. MARSHALL: I realize the hon. gentleman is very embarrassed as a result of this Question Period, but he is not allowed to make speeches in defence of himself. This is the Question Period, and he should pose his question.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Russell):

The time for the Question Period is running very short. If the hon. Leader of the Opposition has any question he should ask it right now; otherwise the time period will be up.

MR. NEARY:

Well, Mr. Speaker, I will put my question to the hon. gentleman again. Will there be dialogue will there be debate, will there be consultation with the communities affected before any plan is implemented? And will the hon. gentleman assure these communities now in this House that every fish plant that is presently closed will be reopened before the dialogue takes place?

SOME HON. MEMBERS:

Oh, oh!

PREMIER PECKFORD:

Oh, oh, oh -

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

- see the man run!

MR. SPEAKER:

The hon. Premier.

PREMIER PECKFORD:

See the man run. As if we had the final say over it, Mr. Speaker, as if we had the final say over it. Mr. Speaker, we can open every single fish plant, say, 'Your licence is there,' we can say every fish plant in Newfoundland is going to be opened, you have your licence, but nobody goes to work because they have no fish and have no trawlers - that is federal. Every fish plant in Newfoundland can have its processing licence today. What does it mean, Mr. Speaker? Nothing! Zero! You have to have trawlers and you have to have fish to put in those trawlers to bring into those plants. I really find this strange.

Mr. Speaker, let me just say this that I have a sneaking suspicion that when our position will become clear over the next few days-and we have spent six months on it and we have already had input from every place; we have had input from Gaultois, we have had input from Harbour

PREMIER PECKFORD: Breton, we have had input from Grand Bank, we have had input from Burin, we have had input from Fermeuse; a lot more input than the federal government has had, by the way, Mr. Speaker, but I have a sneaking suspicion -

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: - if I can have the attention of the hon. member for Port au Port (Mr. Hodder) - that when we come out against the federal government we are confrontationists, and now when we try to get our homework done it is a conspiracy. How do you think that, Mr. Speaker? That is the kind of way they worm over there. I have a sneaking suspicion that when our position is finally known on this whole question of restructuring, the offshore fishery particularly, that there is going to be an awful lot of public debate around this Province. We will see.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Russell): Order, please!

The time for Question Period has expired.

MR. NEARY: You know what our position is - open the fish plants!

SOME HON. MEMBERS: Oh, oh!

MR. TOBIN: Yes, with or without fish!

MR. HODDER: You had fish before.

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

Order, please!

Before we continue, I would like to welcome to the galleries today a delegation from the Gaultois Council led by Mayor Wayne Baggs from the district of Fortune- Hermitage.

SOME HON. MEMBERS: Hear, hear!

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

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

MR. OTTENHEIMER: Mr. Speaker, in answer to a question asked by the hon. Leader of the Opposition on March 8th, the total provincial share of the estimated cost of the budget for the Royal Commission on the Ocean Rang is \$6.4 million. The breakdown of the budget over the three year period; 1982/83 \$2.9 million; 1983/84 \$1.9 million; 1984/85 \$1.4 million. The payment of the three commissioners appointed by the Province are paid according to the following formula. The vice-chairman, either \$55,000 per annum or \$650 per sitting day, and the two other commissioners either \$50,000 per annum or \$650 per sitting day, each commissioner to elect one or the other of these forms of payment. The hon. member asked what law firm or law firms are representing the Province at the Royal Commission. The Province has not appointed any law firm to the Royal Commission. Any legal representation to be made by the provincial government will be undertaken by solicitors of the Department of Justice. Mr. Leonard Martin, Q.C., and Mr. David Orsborne have been appointed solicitors to the commission by the federal government.

MR. NEARY: Or by the commission?

MR. OTTENHEIMER: No, they have been appointed by the federal government. They are solicitors of the commission appointed by the federal government.

The rate of pay negotiated with them by the federal government is as follows:
for Mr. Leonard Martin, Q.C., \$125 per hour, not to exceed a ten hour day. That is \$1,250 per day. Mr. David Orsborne, \$90 per hour not to exceed \$900 per day.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Russell): Order, please!

The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I have the answers to a number of questions asked by the Leader of the Opposition. One question was asked seeking some information, Question No. 11, and the information was given. The answer to Question No. 28, the Leader of the Opposition did not understand, he did not understand the question he asked. He does not know the role of the Newfoundland Light and Power as opposed to the role of the Newfoundland and Labrador Hydro Corporation, so I would suggest to the Leader of the Opposition that somebody brief him on understanding the difference between those two corporations, so I had to explain to him and give him some information. In answer to Question 33, he talked about the salaries of people in my office and, of course, once again the Leader of the Opposition should not have asked that question because that is available in the budget and in the salary details. So of the three questions that I am answering today, there is only one which I can give him information on and the other two are really erroneously asked.

Thank you, Mr. Speaker.

ORDERS OF THE DAY

MR. SPEAKER: Motion No. 2, moved by the hon. Minister of Finance (Dr. Collins).

DR. COLLINS: Mr. Speaker, I have received a message from His Honour the Administrator.

MR. SPEAKER (Russell): All rise, please.

Addressed to the hon. the Minister of Finance (Dr. Collins): "I, the Administrator of the Province of Newfoundland, transmit estimates of sums required for the public service of the Province for the year ending the 31st day of March, 1984, by way of Interim Supply, and in accordance with the provisions of the Constitution Act, 1867, I recommend these estimates to the House of Assembly."

On motion that the estimates together with the message be referred to the Committee of Supply. Mr. Speaker left the Chair.

MR. CHAIRMAN (Aylward): Order, please!

Standing Order 118 (5) states that the Minister introducing and the member answering immediately after speak for fifteen minutes each and then there are ten minute exchanges between members.

MR. NEARY: Mr. Chairman, I would remind the Chair that this is not an ordinary Committee of the Whole that we are in at the present time. By mutual agreement in the House, we agreed to allow the Interim Supply Bill, rather than debate it in the House, to go into Committee of the Whole, and that the rules in the House apply while we are in Committee of the Whole, but only on the Interim Supply Bill. So Your Honour is quoting from the wrong rule. This has to be done by mutual agreement. Last year and the year before, if my memory serves me correctly, we had half hour debates, i.e., we could have up to a half hour, all members do not wish to speak that long. And then you could go back and forth as often as you wished while we were in Interim Supply. That was agreed on by both sides of the House, Mr. Chairman.

MR. NEARY:

What I want to know is

what rules are we operating under now, the rules of the House or are we making a new rule now for Committee of the Whole on the Interim Supply Bill?

MR. CHAIRMAN (Aylward):

The rule of the House, as the Chair understands it, the House has been operating under Standing Order 118 (5) which states that "Notwithstanding Standing Order 49, the Minister introducing his estimates and the member speaking immediately in reply shall not speak for more than fifteen minutes and every other member shall not speak for more than ten minutes at a time during Committee of Supply, or during the debate in a committee or committees established under Standing Order 117."

MR. CHAIRMAN (Aylward): As I understand it, that was the rule that we operated under in the last session that I sat in.

MR. NEARY: Well, Mr. Chairman, in this particular case, if the table is going to make the rules then I would suggest -

MR. CHAIRMAN: Order, please! I was not finished explaining to the hon. member.

As I understand it, when I sat in the Chair in Committee last year, this was the rule that we operated under at that time.

The hon. Leader of the Opposition.

MR. NEARY: Did we operate under that rule the year before, Mr. Chairman, do you recall?

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

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

MR. MARSHALL: You Honour made a ruling. The Leader of the Opposition (Mr. Neary) got up when this procedure commenced and, in the first place, asked a hypothetical question that Your Honour is not bound to respond to. But Your Honour did respond to him and Your Honour responded to it correctly. Your Honour has made a ruling. Look, it is not Your Honour's ruling. If the hon. gentleman wants to get up and talk about things, then let him refer to Standing Order 118 (5), which reads, as Your Honour quoted to the Leader of the Opposition, as follows, "Notwithstanding Standing Order 49, the Minister introducing his estimates and the member speaking immediately in reply shall not speak for more than fifteen minutes and every other member shall not speak for more than ten minutes at a time during Committee of supply," and this is Committee of Supply. The hon. gentleman is splitting hairs. We all know that a person gets up for fifteen minutes, the minister introducing it will

MR. MARSHALL: speak for fifteen minutes, he can reply for fifteen minutes then ten minutes on and on and on. So he is really splitting hairs because it is quite competent of the hon. member to get up again after ten minutes and again after ten minutes and so forth. The whole point of the matter is, Your Honour, that Your Honour has made a ruling and the hon. gentleman is really in a way challenging the ruling. He may not like the ruling, anybody may not like the ruling, but Your Honour's ruling is ruling and is based on the Standing Orders that have been adopted.

MR. NEARY: Mr. Chairman -

MR. CHAIRMAN (Aylward): The hon. Leader of the Opposition to that point of privilege.

MR. NEARY: - is that a point of privilege?

MR. CHAIRMAN: That is what the hon. member stood on. Do you wish to speak on that point of privilege?

MR. NEARY: It is certainly not a point of privilege.

MR. MARSHALL: It is a point of information.

MR. NEARY: It is a point of information? The hon. gentleman got up on a point of privilege and now he is abusing the Chair. But let me say this, Mr. Chairman, if the government side wants to force us to debate under these rules, sobeit, there is nothing we can do about it. But I can tell the hon. gentleman that the procedure has not always been that way. On the Interim Supply Bill only now, Mr. Chairman, I am talking about. We have agreed to allow the House to go into Committee of the Whole - on this side of the House, we have agreed - but we have agreed with the stipulation that we would debate the same as we did every other year. There was a time, I am not sure if it was last year or the year before, when we debated under the rules of the House.

DR. COLLINS: Are you sure it was in this House?

MR. NEARY: Yes, in this House.

As far as we are concerned, we will have to go back to the House to finish the debate on Interim Supply. To debate the principle of the Interim Supply Bill, Mr. Chairman, You Honour will have to go back to the Chair to debate the principle of it and he cannot deny us that right in this House.

MR. MARSHALL: The custom has always been there.

MR. NEARY: The custom is there by mutual agreement, Mr. Chairman, but the government are now changing the ground rules. They are restricting the debate. I mean, if that is what they want to do, fine, but we want the right to go back to debate the principle of this when the House is in session.

MR. MARSHALL: Mr. Chairman.

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

MR. MARSHALL: The only rights the hon. gentleman has, Mr. Chairman, are the rights that are in the Standing Orders. Now we deal with Supply in a certain way, and it is set down in the Standing Orders. We will deal with Supply and then when it comes into the House we will deal with it in accordance with Standing Orders and in accordance with the custom, and the custom is that when it is referred back to the House, then the bill is read a first, second and third time.

MR. MARSHALL: That is the procedure that we will go by, Mr. Chairman.

MR. NEARY: All right, that is fine.
As long as we understand we can have the debate in the House.

MR. MARSHALL: The hon. gentleman just does not understand parliamentary rules. He does not care about parliamentary rules.

MR. NEARY: I understand. The hon. gentleman is just trying to hoodwink the House.

MR. MARSHALL: He just wants to invent rules to suit himself. But this is the way to do it. It is a fair way and it is an appropriate way to deal with supply. I mean who wants to listen to the hon. gentleman for ten minutes, let alone a half an hour.

MR. CHAIRMAN (Aylward): Order, please! The hon. Leader of the Opposition.

MR. NEARY: We have no objection to that procedure as long as the Chair understands, and the House understands, that first, second and third reading of the bill will take place in the House, and on second reading our right will be maintained to debate the principle of that bill.

MR. MARSHALL: Not so, Mr. Chairman.

MR. NEARY: That is so.

MR. MARSHALL: That is not the way it is.

MR. CHAIRMAN: Order, please! To that point of privilege raised by the hon. the President of the Council I rule there is no point of privilege, and the Chairman understands that we are operating under Standing Order 116 (2) which says we are in Committee of Supply and Standing Order 118 (5) gives the times for debate.

The hon. the Minister of Financ

MR. NEARY: A point of order, Mr. Chairman.

MR. CHAIRMAN (Aylward): A point of order, the hon.
Leader of the Opposition.

MR. NEARY: The Chair has not addressed the main point that I made, and that is our right to debate the principle of this bill when the Speaker is in the Chair and the House is back in session. That right is there and it cannot be taken away, Mr. Chairman. We are not now debating the principle of the bill.

MR. MARSHALL: Mr. Chairman.

MR. CHAIRMAN: To that point of order, the hon. President of the Council.

MR. MARSHALL: The first point: What the hon. gentleman is doing is asking you as Chairman of Committees to make a hypothetical ruling on a matter that, you know, may or may not rise in the House, so it is not competent for the Chairman in the present Committee to give a ruling on it. But I want to remind the hon. gentleman, so that he does not think we are resting on the matter, so that he knows, and I am not prepared to debate it now, and I do not think Your Honour would wish me to debate it, but the hon. gentleman has brought it up, that the principle is first; second and third readings on a money bill are read simultaneously without debate, after it is reported back to the Committee. But, Mr. Chairman, it is not, I would submit, Your Honour's duty to make a ruling on that at the present time. And the hon. gentleman is not going to run the House, I mean, that is the way the hon. gentleman used to -

MR. NEARY: You know you are wrong 'Bill',
you know you are wrong.

MR. MARSHALL: - or the hon. gentleman's former, former leader used to run the House in the halcyon days, never to be realized by the hon. gentleman again, when he was over here on this side of the House. But that is not the way it is done. Democracy has hit Newfoundland, let us get on with the process of democracy, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN (Aylward): Order, please!

DR. COLLINS: Mr. Chairman.

MR. NEARY: No, hold on now.

MR. CHAIRMAN: Order, please! There is a point of order first.

In some research that we have done on this - just to explain to that point of order - it says in our research that the interim supply bill is read three times and not debated during these readings, and is not referred back to the Committee of the Whole.

MR. NEARY: Right.

MR. CHAIRMAN: Order, please!

The hon. Minister of Finance.

DR. COLLINS: Mr. Chairman, we have already had a mini-debate on this but my clear understanding, and I am sure it is the understanding of the members of this House, is that we are now in Committee of Supply debating a resolution, which I will read in just a moment, and at the same time as we debate the resolution we debate the bill, because the bill is attached to the resolution that has been circulated to hon. members.

DR. COLLINS: And the resolution we are debating is: 'Be it resolved by the House of Assembly and legislative session convened as follows: That it is expedient to introduce a measure to provide for the granting to Her Majesty for defraying certain expenses of the Public Service for the financial year ending 31st day of March, 1984, the sum of \$442,974,500.' So that is the resolution we are debating, Mr. Chairman, and the bill itself has attached to it a schedule and the schedule names the heads of expenditure and the various amounts that are now to be allocated if the resolution on the bill passes, as I am sure it will, the amounts to be allocated to these various heads of expenditure. And the heads of expenditure relate to the various departments of government.

Mr. Chairman, I should point out that the Interim Supply Bill this year will cover a two month period and it is for that, roughly, \$442 million. Hon. members of the Committee will remember that last year Interim Supply covered a four month period and it was for a considerably larger amount, but this year it will cover a two month period, five payday periods of the Public Service and up to the 1st day of June, approximately.

Mr. Chairman, the Interim Supply Bill, normally speaking, covers what are called housekeeping items of expenditure by the various departments of government, and the reason why Interim Supply is brought in, of course, is that the main estimates have not been brought down as yet and we will run out of authority to spend on the 1st of April. So this gives us authority to spend on housekeeping items until the main estimates are finally approved by the hon. House. However, Mr.

DR. COLLINS: Chairman, as long as the Committee and the House is informed of the fact, we can also bring in items that are other than housekeeping expenditures. We can bring in new capital account expenditures, expenditures for capital account projects of a new type as long as the House is informed. And this Interim Supply Bill does contain \$18.5 million worth of new capital account projects. This is so that these projects can be gotten underway as quickly as possible for the benefit of the work force of the Province. And I will just enumerate which they are: There is, improvement and construction, roads - \$13.4 million, that is all provincial expenditure and it completes the \$20 million of provincial road construction and improvement that was mentioned in the budget. If the hon. members are inquiring as to where, the hon. minister responsible for that department will be glad to comment on their request.

The second item is: residential and industrial servicing. This is covered under a DREE agreement and it is 90/10 - 90 per cent federal and 10 per cent provincial. It is for a total amount of \$1.7 million and it relates, at least in part, to water and sewer projects in Labrador.

The third item is highways. It is for the TCH and again it is cost shared with the federal government - 75/25. And it is mainly a carry-over, to finish off projects that were carried over from last year and

DR. COLLINS: the amount involved is \$1.2 million.

The fourth item is again covered under a DREE agreement and it is for forest access roads, 90/10.

MR. NEARY: Any more money for road work? Do we save that for the end of the month?

DR. COLLINS: Well, we will be getting into a new fiscal year. That work will be held up until the main estimates come down if we do not bring in this Interim Supply Bill. But by bringing in the Interim Supply Bill we can get out the tenders and get on with the work.

The forest access roads amount to \$1 million. The fifth item is for bridges and causeways. Again it is provincial money, \$950,000. The final item is for cottage land developments for \$250,000. That again is provincial money. And hon. members of the Committee will remember that this is a self-financing project. In other words, we put the money up front to develop these cottage lands, but then the lands are sold and, therefore, the total amount of money returns to the Province.

MR. NEARY: Summer cottages?

DR. COLLINS: Cottage land development, yes.

MR. NEARY: Why are there Summer cottages included in the Interim Supply Bill?

DR. COLLINS: This is to get on with the work, to supply jobs while we are servicing these projects. And all this money -

MR. NEARY: I mean, you have to be joking.

DR. COLLINS: - and all this money returns to the Province because it is a self-financing project. It is an extremely worthwhile project from the point of view of encouraging employment, getting people who would otherwise not be employed earning money so that they can support their families, so that they

DR. COLLINS: buy goods, therefore returning their retail sales tax revenues to the Province and therefore out of this the Province can help to fund the necessary services that the people of this Province require.

MR. NEARY: So that the big shots can get in by the sides of the ponds.

DR. COLLINS: Now if the hon. Leader of the Opposition (Mr. Neary) or members of the Opposition do not like jobs been given, if they do not like the provincial government to acquire revenues, if they do not like the provincial government to use those revenues to supply needed services, well so be it. The people of this side of the House do like people to have jobs, they do like services to be given. So we are very proud of this programme. And, as I would reiterate, that is a totally self-financing programme. There is no subsidy given for these cottage lots to the people who acquire these lots, they pay for these totally themselves, they return totally the money that is expended up front. This programme was brought in last year, it was highly successful. All the monies that were expended last year up front returned to the Province, every last nickel, every last cent of it. It was a very acceptable, a very worthwhile programme. I am only too pleased that we are able to include it this year in the Interim Supply Bill so again we can get on, at the earliest possible moment, with this very worthwhile project.

So with those few non-controversial explanatory remarks, Mr. Chairman, I move the resolution and with it the attached bill.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN (McNicholas): The hon. member for Port au Port.

MR. HODDER: Mr. Chairman, this is the first time to my knowledge that after the Budget Speech comes down the Opposition has not had a chance the following day or the next following session to reply to the Budget Speech in the traditional way.

MR. HODDER: I believe the rules of the House are set up so that after the Budget Speech, the person who responds to the Budget has unlimited time and it is the right of the Opposition, and it is still our right, the right of the Opposition to take as much of that time to analyze the Budget in detail as they wish. In this case, in the typical cowardly fashion that the Premier has taken ever since the last election, where he tries to have the House of Assembly sit for the shortest possible period of time, the rules, as far as Committees are concerned which are now ongoing, are such that the least scrutinization by those Committees will take place. The Budget comes down and the period in which the Opposition has to reply to the Budget has been put aside, I would say, until the Interim Supply Bill has been finished with, which will take us up to Easter, and at that time we will have an Easter break and by the time the Opposition gets back to the Budget Speech the issue will no longer be around, or other issues of concern will take its place.

I object, Mr. Chairman, to this type of manipulation of the House of Assembly. We feel that we have every right to speak on the Budget today, but this morning we were informed that we would be on Interim Supply. I think it would be only courtesy, even though I know the government has to get the Interim Supply Bill through by a certain time, but it would have been only courtesy to allow a couple of days for the Opposition to respond on the Budget. Now, Mr. Chairman, we will be speaking through Interim Supply- maybe it will be a little harder to handle in Committee of Supply with the short periods of time that we have to speak, but we will certainly be dealing with the Budget through this and when the Budget Speech comes again we will certainly take advantage as best we can

MR. HODDER: to respond to the Minister's budget. But I feel, Mr. Chairman, and I object to the fact, that the government has again manipulated and manoeuvred as they have done ever since this administration took power. The Premier is afraid of the House of Assembly.

MR. NEARY: Right on!

MR. HODDER: I remember when I was first elected, in 1975, we sat here, sometimes ten o'clock in the morning and usually until eleven o'clock at night. We had a Premier then who was not afraid of the House of Assembly and who welcomed debate, but this Premier runs away. I have been told by members on the other side that they hope to get us out of here in May. Well, not if I can help it Mr. Chairman.

Mr. Chairman, I want to refer for a moment to the Question Period of today, and to some of the answers and some of the non-answers that we are receiving from members on the other side of the House.

Mr. Chairman there is a silence in this province that is deafening. I have never, after watching this administration from its infancy, never heard so little said on an issue and I talk about the restructuring of the fishery. I do know that the Minister of Fisheries (Mr. Morgan) has been in Ottawa often, and I do know that he has been talking to the people who are involved in restructuring the fishery.

MR. HODDER: I do know that the Premier has been in Ottawa and has been talking to people who are restructuring the fishery. Also, Mr. Chairman, for the past year we have known about the Kirby Commission, and for the past eight months we have had an idea of what is going to happen. But, Mr. Chairman, there has been no comment of recent weeks, of recent months, particularly at this particular time, when the Minister of Fisheries (Mr. Morgan) sneaks in and out of the House without a comment, the Premier sneaks into the House and sneaks out of the House without a comment. And today when it was brought up he gave us a bunch of rhetoric, the same old rhetoric which we have heard ever since the Premier came to power, about the fish stocks and the cod. But this is a different matter.

MR. STAGG: They are the same old questions.

MR. HODDER: If the member for Stephenville (Mr. Stagg) would sit down and perhaps get in touch with the people on the Harmon Base who are crying out in the newspapers for his resignation; perhaps he should go back and look after them. But, Mr. Chairman -

MR. STAGG: The hon. gentleman would certainly like to represent Stephenville.

MR. HODDER: I may represent Stephenville yet. Mr. Chairman, there are no comments being made and as everyone knows restructuring - what does restructuring mean? Restructuring means deciding which communities are to die and which communities are to live. And in the budget lo and behold, on page 18, the Minister of Finance (Dr. Collins) talks about minimizing the effects of plant rationalization, plants which come under our jurisdiction. Where in the budget is there a fiscal provision to deliver that promise? There is none. So

MR. HODDER: the minister played lip service to plant rationalization to minimize the effects. What the minister means there, if I might put words in his mouth, he means there that plants will be cut out, communities will be told under this restructuring plan that you no longer have a plant and you have to go on unemployment insurance and then on welfare, that is the minimizing of effects of plant rationalization to which the minister played lip service. But the unkind thing, Mr. Chairman, is that when you look through the estimates of the budget, when you look through the departments there is no money there to minimize the effects of plant rationalization. And what is plant rationalization anyhow? What has the Minister of Fisheries (Mr. Morgan) been talking to his counterparts about in Ottawa? What did the Premier, when he went to Ottawa, talk about?

MR. NEARY: Socializing.

MR. HODDER: And then we hear that we have to wait for a Price Waterhouse report before we can do anything.

MR. STAGG: They are forecasting the financial part of it too.

MR. HODDER: Now, Mr. Chairman, I suspect that what the government has in mind and what the shrewd Minister of Fisheries (Mr. Morgan) has in mind -

MR. STAGG: Shrewd?

MR. HODDER: Yes, cunning, shrewd, crafty, low. I think at some time these words will come back in this House, the words I say now will come back and I will say, 'I told you so.' But what is

MR. HODDER:

happen now is the minister knows what is happening with restructuring in Ottawa. He knows what is happening with restructuring. And when the Leader of the Opposition, the member for LaPoile (Mr. Neary) today said there was a conspiracy of silence - no longer are the unions saying anything, no longer is the federal government saying anything, but most important, no longer are a very vocal Premier and a very vocal Minister of Fisheries (Mr. Morgan) saying anything.

And what they are doing, Mr. Chairman, if they are going to Ottawa, if they are putting their views to Ottawa - they are telling us in the House they have not got them set out yet because they have to wait for Price Waterhouse. But where is the consultation from the people in the communities who are suffering at the present time?

MR. STAGG:

Who are you talking about there?

MR. HODDER:

We are talking about restructuring. We are talking about the group in Ottawa with the aid of the minister and the Premier and the Fishermen's Union who are deciding which communities are going to die and which communities are going to live in this Province. That is exactly what we are talking about.

MR. WARREN:

Right on!

MR. STAGG:

This group in Ottawa you are talking about, are they of the same political persuasion?

MR. NEARY:

We do not know who they are. Ask the Minister of Fisheries or the Premier.

MR. HODDER:

Yes, ask the Minister of Fisheries or the Premier.

MR. STAGG:

Of what political persuasion are they?

MR. HODDER: Of whatever political persuasion they are, games are being played by the Minister of Fisheries (Mr. Morgan) and by the Premier with them.

MR. NEARY: Right on!

MR. STAGG: Why do you not go over the fishery again?

MR. HODDER: If the member for Stephenville (Mr. Stagg) could just keep quiet! We were really pleased when he was not in the House last week, because the tenor of the House, the decorum of the House was so much better while he spent last week out - he ran away from Stephenville. He went to the mainland somewhere. He could not stand the heat - calls for his resignation, former supporters calling for his resignation. I was ashamed.

MR. STAGG: You were ashamed.

MR. HODDER: Yes, I was ashamed.

MR. STAGG: No, you were delighted.

MR. HODDER: No, I was ashamed.

Mr. Chairman, I will tell you what will happen once the deed is done, once the foul deed is done, when the fish companies and the minister and the Premier and the union and everybody have decided, then they will decide how they are going to handle it. And the minister will come back and he will say, 'Of course, boys, you know, we are going to have a lot of communities closed down here so I am going to get up and I am going to kick up a lot of fuss and

MR. J. HODDER: I will make a lot of noise here in the Province and I will pretend that I had nothing to do with it. If that is not the scenario, why is it then that we are not at the present time debating throughout this Province those communities that are being closed down, those community action groups that are being closed down? Why are we not talking about the restructuring of the processing sector? And the minister and the Premier, every time they stand up they say we cannot do anything because the federal government owns the stocks, well, the fact is that there is at this present time, in this Province, lots of fish. And when the fish comes, there are always too many of them, they cannot handle them. We do own the processing sector. We own the fish plants. Under the Constitution they are ours. And what we are doing by saying to the federal government, 'Oh, we have to have it all,' what we are doing is actually giving up the power that we do have, the power to restructure and to talk to those companies and to tell them how they should behave in this Province and to encourage them to do secondary processing here rather than in the United States. Mr. Chairman, since I have been here in this House I have seen reports, White Papers, Green Papers, newspapers and everything else come from the minister's office. There is nothing - I mean, we have seen everything from plans for superports to restructuring of the fishery, they last for a year and then they are gone and the minister is off on another track. Mr. Chairman, the time is coming when the minister and the Premier will be exposed on the fishery, because I predict that once we hear what the Ottawa/Morgan/Peckford/Union Group has served up to this Province, that the minister then will not be able to come out and say, 'Ah, wait until you see our proposal.' Where is the proposal? Why is it that no one in this

MR. J. HODDER: Province has seen it? Why is it that no one in this Province has read it? Why is it that no one in this Province has heard of it? And what will happen, Mr. Chairman?

MR. F. STAGG: Maybe it has not been released. How about that?

MR. HODDER: Well, that is exactly right, Mr. Chairman, it has not been drawn up. And the Premier says in Question Period today, 'Ah, where will you stand when we get it?' Why do we not have it? Why are we not debating it? Why do we wait until the eleventh hour, when the pie is being cut? And the pie is being cut and every member over there knows it. And there is a member from Grand Bank (Mr. Matthews), and there is a member from Burin, (Mr. Tobin) and there are members who represent all sorts of fishing districts around there, and they are sitting in the back benches and they are waiting for the axe to fall and they do not know that it is the Minister of Fisheries (Mr. Morgan) and the Premier

MR. HODDER: and some of their close acquaintances who are going to axe the communities, And there are going to be plants, perhaps, in Bonavista North, and plants in Burin-Placentia West which will get the axe. Oh, yes, the minister will then come out, and the Premier will then come out and condemn the terrible federal government, but that is what is happening.

MR. STAGG: Are we going to work together on Piccadilly, by the way, like you said last year.

MR. HODDER: Mr. Chairman, I could not work with the hon. member for anything, not even for that.

MR. NEARY: He will work with you to get the rent rolled back on the Harmon Corporation. He will help you roll back the rent on the Harmon Corporation.

MR. HODDER: Well, I will tell the hon. member, things seem to be well in hand with myself and the minister and if we need him we will call him. How is that?

MR. DINN: Well, he will have to be investigated. A lot of things have to be investigated.

MR. HODDER: I would say that the minister has been a little slow. Things are not happening as quickly as I would like them. We have only got two more weeks. I am glad the member brought that up. I know that we only have two more weeks for the opening of the plant, but so far I have to give the minister full marks, except he is a little bit slow. But I am talking to his officials every day, and I have talked to the Port au Port Development Association and the union, and all of the people who are concerned in the area.

MR. STAGG: For the first time in seven years they finally talked to you.

MR. HODDER: I spoke to them. I went to them. And I will say to the minister that our hat is hung on his peg. We are now waiting for him to respond and to do all the things he has to do. And I know letters have gone out

MR. HODDER: to various processors and fish buyers and we support him in that. And the Port au Port Development Association have been sending some letters, and I have been making contacts, and we are all working together, and we intend to solve it. So the hon. member, you know, if we really feel we need you we will call you.

Mr. Chairman, I just had a note saying -

MR. STAGG: But where am I going to be when you (inaudible)?

MR. NEARY: He will be down trying to get the rent straightened out at the Harmon Corporation.

MR. HODDER: Yes, Mr. Chairman, I was trying to help the member.

MR. STAGG: You will be going from door to door at the Harmon Complex.

MR. HODDER: Thank you, Mr. Chairman.

MR. MORGAN: Mr. Chairman, a few comments in this debate -

DR. MCNICHOLAS: The hon. Minister of Fisheries.

MR. MORGAN: - on interim supply, and primarily based on the headings, of course, with the supply wanted for the Department of Fisheries, and a few comments in response to the most recent statements, today, during the Question Period, which was more like a speech period than a Question Period, from the Opposition, and from the hon. gentleman who is now going to leave the Assembly.

MR. MORGAN: The hon. gentleman is talking about the restructuring of the large companies, and talking about the processing end of the fishing industry being under the jurisdiction and control and responsibility of the Newfoundland Government.- Now, Mr. Chairman, the hon. gentleman who just spoke surely in his own thinking must acknowledge that last year when the medium sized companies had problems in Newfoundland in the processing sector it was not Ottawa who came and bailed them out, it was not Ottawa who came along and assisted them and got them going again with regard to their operations. Because we felt that we did have a responsibility with our limited resources we have, financial resources, we indeed helped the companies out to the tune of \$24 million - a total of nineteen fish plants in different parts of the Province. And just last week when the episode involving Piccadilly, in the hon. gentleman's own district, when that problem came to light, we also acted, we acted very promptly to the point where right now we have at least three companies interested. And I am now, in fact, late for a meeting. I am going to a meeting shortly and the hon. gentleman is not even listening, he is not concerned, I will make sure the fishermen of Piccadilly understand, when I go out there next week to tell them, that the hon. gentleman wants to play his little game of politics but not listen to the genuine concerns of the people in the area.

MR. STAGG: That is why they keep talking to me all of the time.

MR. MORGAN: I am actually late now in going to meet with at least one company that is expressing a very, very serious and genuine concern in the Piccadilly plant.

MR. CARTER: Hear, hear.

MR. MORGAN: And we have proposals going

MR. MORGAN: out to other companies and there are other companies interested as well. And that is the kind of prompt, quick action that this government takes. When we have the resources to do it and we have the jurisdiction to act, and responsibility, we carry out our responsibilities.

SOME HON. MEMBERS: Hear, hear.

MR. MORGAN: Now, however, when we talk about this group up in Ottawa, who is this group in Ottawa? Well, the group happens to be some of the most influential ministers in Mr. Trudeau's Cabinet. And who are they? Mr. Lalonde, the Minister of Finance, a very influential man with Mr. Trudeau, obviously; Mr. MacEachen, who is the Deputy Prime Minister of the country; Mr. Gray, who is an influential minister up there; Mr. Don Johnson, who is the Chairman of that Committee, he is the Minister of State for Economic Development; Mr. LeBlanc, an influential man on fisheries, the former Minister of Fisheries for all of Canada; and Mr. De Bane, the present minister; and Mr. Rompkey, a minister from Newfoundland. That is the whole group - seven ministers. And why is that group dealing with the restructuring? It is because Mr. Trudeau approximately a year and-a-half, or a little more than a year and-a-half ago, decided to appoint one of the most influential, one of the brightest civil servants in his whole federal government's civil service, one of the key advisors to him as the Prime Minister of the country, a doctor, Michael Kirby. And Dr. Michael Kirby was asked to look at the problems of the large companies in Atlantic Canada. It was not just in Newfoundland, it was Atlantic Canada. And now Dr. Kirby has made one report and in that report he said publicly, in all Atlantic Canada, 'Now I have been asked by the Prime Minister to deal with the big issue of restructuring of three large companies'.

MR. MORGAN:

He named the three large companies.

There are others which will tucked in under the same umbrella, like John Penney and Sons, maybe T. J. Hardy, maybe other smaller companies, but the three big ones are the Lake Group, Fishery Products, and Nickerson's, Nickerson's, both in Nova Scotia and throughout the Atlantic region.

Now, Mr. Chairman, there is no point in the Opposition trying to leave the impression, as said today by the Premier, that because the processing sector of the fish industry is under the jurisdiction of the provincial government, under the provinces, that we can suddenly as a government resolve a financial problem to the tune of hundreds of millions of dollars. And that is what we are talking about, hundreds of millions of dollars. We are not talking about \$18 million, \$19 million or \$24 million as we acted upon last year, we are talking about hundreds of millions of dollars.

And to try to leave the impression that this government is not consulted, the members on this side of the Legislature who have fish plants in their respective districts that are owned by any of those large companies, they have done their homework, indeed so, they have arranged to bring in delegations. I would say over the last three or four months I have met with delegations from every community that has a fish plant under question, whether it is going to be open or not, I have met with delegations on the average of at least two or three times from each community. And it is quite wrong to stand up in the House of Assembly and say to the government, Oh, you only started showing concern about the major problem of those large companies in the last couple of weeks. We know what the views of the people are in Fermeuse. They are presently doing their homework and making a submission to Dr. Kirby. We know what the views are of the people who are living in Gaultois. We know what the views are of the people who are living in

MR. MORGAN: Burin. We know what the views are of the people living in Grand Bank, We indeed know what they are from those living in Harbour Breton. And we indeed know what they are of the residents of the community of St. Lawrence.

Now, there is nobody who can accuse this present minister of ignoring the views of the people living in these communities.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: Because I have gone down to the respective communities and met with them in their own areas, I have had meetings in St. John's on two or three different occasions over the last number of months. So the

MR. MORGAN: consultation process is indeed a good one. And then the member who last spoke was talking about, 'Oh, you did not get the views of the fishermen.' Well, surely we did not get the views of the individual fisherman, no, that is almost impossible, but indeed we did get the views of the people who represent the fishermen. And if the hon. gentleman is trying to tell us that the fishermen's union are not the official representatives of the fishermen, I think he indeed should talk to Mr. Cashin about that, if that is his view. We are of the opinion that the union is properly formed, properly organized, have proper bargaining rights and we recognize them completely and totally. So if the hon. gentleman is saying to us we did not hear the views of the fishermen, I think it is an insult to the President of the Fishermen's Union, Mr. Cashin and his executive. Indeed it is.

MR. ANDREWS: He should apologize to them.

MR. MORGAN: And then the hon. gentleman and the Opposition is trying to leave the impression, 'Oh, well, you have no plan on how to handle these plant problems. You have no plan.' Well, the fact is I think the hon. gentleman today in Question Period and in his comments in this debate now, clearly leaves the impression that there are people up there making decisions and on the verge of making decisions which are not necessarily in the best interests of this Province and he is finally coming to recognize that fact.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: Now, there are a few people up there who do understand and who do recognize, but there are a few who do not understand. And if they are not going to make a decision that is in the best interest of this

MR. MORGAN: Province and the fishing industry which is so important to the rural parts of our Province - the hon. gentleman is trying to get us to say, 'Yes, we agree with that group in Ottawa who have been making the decision,' it could be the ministers I mentioned, they are the Cabinet committee appointed to deal with it - and get us to say, 'Yes, we agree with what they are saying up in Ottawa about the restructuring,' so that they can zero in and say, 'Oh, the Newfoundland Government is to blame for all of this. They are the ones who are agreeing to close X plant or Y plant around the Province.'

I am saying, Mr. Chairman, again - I said in debate last week and I want to repeat again, there is nobody in this present Cabinet, with the exception of the Premier, who has agonized more than I have as Minister of Fisheries over this major issue. It indeed is a major issue. It is going to affect the future of the deep-sea fishery forever and a day in this Province. There is no question in my mind that that is the bottom line. And we have to make sure, we have to make sure that when we take a final position we should not be suddenly rushed into making a decision because someone in Ottawa says, 'We want a decision right now.' We should not be rushed into making a decision or taking a position. And, as the Premier has said, we want to make sure that we have the views of every party concerned and, more importantly, that we have the views and - not only.

MR. J. MORGAN:

the views, but we have all of the facts laid on the table, every scrap of information that is possibly available to us through Dr. Kirby and his group, through Price Waterhouse, through the other company involved, chartered accountant firms, and from the banks and from the companies, every scrap of information before us and only then, after we did our homework, as the Premier answered in Question Period, only then should we as a government make a decision affecting the lives of the people in Burin, make a decision about the lives of those people in St. Lawrence, or Fermeuse or Gaultois or Harbour Breton or St. Anthony or elsewhere. And if the hon. gentleman is worried - and I think today that they portrayed,

the Opposition, that the Liberal Party of the Province is indeed worried about a possible very unfair decision coming from Ottawa, made by their Liberal Party in Ottawa, they are very concerned, and if they are concerned do not suddenly try to lay the blame on Premier Peckford and his government, Mr. Chairman.

MR. CHAIRMAN (Aylward): Order, please!

The hon. members time has elapsed.

MR. MORGAN:

By leave, Mr. Chairman.

MR. CHAIRMAN:

Can the minister have leave?

MR. MORGAN:

two minutes.

I am going to a meeting in Piccadilly,

MR. CHAIRMAN:

Two minutes leave?

SOME HON. MEMBERS:

Two minutes leave, Mr. Chairman.

MR. MORGAN:

The hon. the Minister of Fisheries.

MR. MORGAN:

Mr. Chairman, I will conclude by saying that if the hon. gentleman is concerned about a possible decision that is not in our best interest being made by his colleagues in Ottawa, do not suddenly try to twist it around and blame it on Mr. Peckford's government here in Newfoundland. Do not do that. I would say to him sincerely

MR. J. MORGAN: and to the Leader of the Liberal Party (Mr. Neary) in Newfoundland, I say to them very, very sincerely and genuinely sincerely, do not try to twist it around and play politics and blame us, use their influence. They must have an influence, they are the official Liberal Party, the official Opposition. And surely Liberal blood is thicker than water, and if the Liberal Party in Newfoundland has any influence with their colleagues in Ottawa, use that influence. I would say to the hon. gentleman, the House Leader on the Opposition (Mr. J. Hodder) side, use your influence to help out some of your MPs who may be taking a very firm position - I will not go any further than that, some of them may be taking a firm position - help them out because they are going to need your help maybe. And I am saying in my conclusion today, in my brief remarks, that we are not going to make a decision or be rushed into making a decision until we are convinced that the decision and the position we take on this major issue is going to be the right decision for the deep-sea fishery and the future of that fishery in our Province.

Thanks for the extended time.

MR. HODDER:

Mr. Chairman.

MR. CHAIRMAN (Aylward):

The hon. the member for

Port au Port.

MR. HODDER:

Mr. Chairman, when the Minister of Fisheries (Mr. Morgan) asked that we use our influence, the difference between the Minister of Fisheries and we on this side is that we do not know what is coming down. We know and suspect that it will mean a great deal of suffering for a great number of communities in this Province. And I would like to ask the minister some questions and I will yield my place if the minister would answer them.

MR. HODDER: I would like to ask the minister, has he had any input whatsoever so far into the restructuring of the fishery? What is his role in the restructuring of the fishery? Has he been consulted? What is he doing when he is in Ottawa talking to the Kirby people and to the group which are involved in the restructuring of the fishery?

MR. MORGAN: Could I answer that question before I leave?

MR. HODDER: One more before you go. Also, when you talk about the fact that you have talked to fishermen's committees here and fishermen's committees there, when you talk to those fishermen's groups from the various communities which are affected, you are talking about their concerns or is it in a framework of restructuring? Have you said to them, 'This is what I expect will happen.' And I am sure the minister must know what will happen. We know he knows what will happen. When you speak to those people are you giving them the framework under the new restructuring of the fishery in which they have to make their decisions? Because that is the important thing.

MR. CHAIRMAN (Aylward): The hon. Minister of Fisheries.

MR. MORGAN: Mr. Chairman, it is important to get this matter clarified in this debate, because when the Kirby Task Force process was established the process of public hearings was held. And when you look at the reason why the Kirby Task Force was appointed, why was it appointed? It was appointed to deal with the major financial problems of the large companies. That was the reason why it came into formation. So during the process of dealing with that major problem they had public hearings, they held meetings with the organizations and

MR. MORGAN: groups in respective communities involved and asked them their opinions. And we did the same thing. Sometimes without even asking for it they came in and told us what their opinions were , delegations coming in for meetings with me and with the Premier, in some cases. So that process was there leading up to a position to be put forward by Mr. Kirby and his group. Mr. Kirby was to put forward the position, the foundation for the restructuring of the large companies. That was his role.

Now, Mr. Chairman, when I appeared before that Cabinet committee in Ottawa about two weeks ago, with the seven federal cabinet ministers - in fact, there were two more at it that day, one from PEI and , I think, one from somewhere else, seven or eight Cabinet ministers of the federal cabinet, when I appeared that day. The question is asked, 'What did you do and what did you discuss?' Well, the hon. gentleman should know that when I went to Ottawa I did what? Try stop a decision which we knew and heard was going to be made that same day in Ottawa which we felt, as the government here, was not in the best interest of this Province. That is why I appeared on behalf of this government before that Cabinet committee in Ottawa, to say, 'Gentleman, please do not make that decision today. Do not make that decision because it is not going to be in the best interest of this Province of Newfoundland that I am speaking for. Do not make it. I hear you might make it today. Do not make it.' 'Why , Mr. Morgan? Why?' 'Well, there are obvious reasons why gentlemen. We have not got all the information we need, the financial information from Price Waterhouse.

MR. MORGAN: We have not got all the information we need from Dr. Kirby and his group. Dr. Michael Kirby appointed Price Waterhouse, we did not appoint Price Waterhouse. Michael Kirby appointed McLeod Young and Weir. They appointed the Chartered Accountant firm in Toronto, in conjunction with the banks and others. I said 'Gentlemen, do not make that decision, because we want all the information that we do not have today. We have not got all the information and if we have not got it, we understand you have not got it.' So, because you have not got all the information as to the financial data on the companies, financial data on the individual plants, the financial data with regard to projections for the future, the bottom line five years time for individual scenarios, because we have not got that information, Mr. Chairman, because we have not got it I said, 'Gentlemen, do not make any decision today, give the Newfoundland government, give all parties concerned ample time to do their homework, ample time to analyze and assess fully all the information that we need and should have before us.' That is what we said in Ottawa. That is all we said in Ottawa. In the meantime, we came back from Ottawa and did what? We came back and the Premier arranged with the Minister of Development involved (Mr. Windsor), the Minister of Finance involved (Dr. Collins), the Minister responsible for the Petroleum Directorate (Mr. Marshall) and the Minister of Justice (Mr. Ottenheimer), the Attorney-General, We sat down with all parties, called them in, each individually, all the companies in one meeting, we met with the fishermen's union, another meeting separately, we met with the bank, the senior people of the Bank of Nova Scotia in Toronto, separately, we met with the Price Waterhouse firm which is doing all the work for Mr. Kirby. All individual meetings. A full day of meetings.

MR. HODDER: Big deal!

MR. MORGAN: Now he says, 'big deal'. It is a big deal for the deep-sea fishery. The hon. gentleman can make fun if he wants to but it is a big deal. I am trying to tell him the process. The process was that we want to know the views of all these people: the fishermen and plant workers through their Fishermen's Union, the banks as to what their position is on restructuring, the individual companies as to what their positions are, all the companies combined. So, after getting all the information then we said, 'Gentlemen, we need more information we need more financial data'. And the Premier instructed the people who are working for Mr. Kirby to provide that information to us: Here is what we want, gentlemen, we want that information before we make a decision. So, it was only a few days ago, no longer than last Friday or Saturday - today is Monday, Monday or Tuesday of last week that we obtained the information we required.

Now, surely, the hon. gentleman did not want us to get the information one day and, like Malcolm Montgomery, read the budget over one minute and make a big public statement the next minute after. We did not want to do that, you have to carefully analyze first, you have to analyze and assess the information and, then, you -

MR. HODDER: A good man, Montgomery.

MR. MORGAN: Yes, a good advisor for the liberal party. - have to make your decision accordingly. The Opposition House Leader (Mr. Hodder), I am sure, is not being responsible, he must recognize that, when he says to Premier Peckford, you must make a decision now. You must make it right now. We want to know

MR. MORGAN:

what it is now. Make it publicly known what it is now. I think the Premier is portraying very, very good responsibility by saying, "We will get our homework done first. Do all our homework. Analyze and assess all information, then we will make our decision; when our decision is made then we will tell the Federal Cabinet Committee what our decision is and why. And after that we hope that the federal government will listen to us." We sincerely hope that the gentleman's colleagues on the Opposition side, their colleagues in Ottawa, will indeed listen to what this government is saying. If they do that, and if we are convinced our decision is right, I am hoping that they will recognize it is the right decision. But in case it is not, just in case it is not, just in case it is not the scenario of events, just in case the Federal Cabinet Committee is not going to listen to the Newfoundland Government, is not going to be guided by the Newfoundland Government, is not going to listen to the recommendations of the Newfoundland Government, just in case they do not do that, well, that is when the opposition party surely is going to show their influence to all Newfoundlanders and say, "We support that policy of the Newfoundland Government and Premier Peckford and his ministers, we support that position on restructuring, we think it is good and we are going to now try to persuade our colleagues in Ottawa to implement the recommendations".

Who would they go to I wonder to get their influences heard? The hon. gentleman from the Strait of Belle Isle (Mr. Roberts) has influence with the Newfoundland

MR. MORGAN: minister in the Federal Cabinet. He could influence Mr. Rompkey. I am sure of that. The hon. gentleman also has some influence with other ministers in the Federal Cabinet. I think he has influence with Mr. MacEachen, he has some influence with Mr. Johnson, he has some influence with Mr. Lalonde, but not very much.

MR. STAGG: Who is that?

MR. MORGAN: The hon. former leader of the party -

MR. STAGG: The hon. former, former, former.

MR. MORGAN: - the Strait of Belle Isle member. I think he could indeed influence many of his colleagues in Ottawa, that if he sees something that is not good for Newfoundland he could influence them to change their position. And I would like to see him do that. Once he knows what our position is, and all the public is aware what our decision is on the restructuring, that he could influence it. Surely he would not take the position because St. Anthony is dealt with in the restructuring, "I got no worries." Surely he would not do that. The hon. gentleman would not do that, would he? He would show his concern for Burin, would he not? He would show his concern for St. Lawrence, would he not? I sincerely hope he would.

MR. STAGG: What about Piccadilly?

MR. MORGAN: He would not just say, "Well, I do not worry about the rest of the plants, I have my plant looked after. I have St. Anthony open and I got no worries. The Saltfish Corporation is taking over my plant, gentlemen, I do not care. I do not think he would do that. He would not do that. So we can count on his influence in Ottawa.

I must say I do not think the present leader - I think the former leader has more influence in Ottawa than the present leader.

MR. MORGAN: There is no question in my mind about that, no question in my mind at all that the present Leader is not nearly as influential as the gentleman from the Strait of Belle Isle (Mr. Roberts) in talking to his colleagues in Ottawa. And unfortunately the hon. gentleman from Piccadilly is also getting so linked in with the present situation of the Liberal Party that he is also losing his influence as well. He may not be able to influence his colleague, Mr. Simmons, let alone a minister up there.

MR. HODDER: Mr. Tobin is my boy.

MR. MORGAN: Mr. Tobin. I find Mr. Tobin a fine, fine fellow. I get along with Mr. Tobin, he is a good fellow. He understands the problems and he has the ear of the Minister of Fisheries up there right now, as his Parliamentary Assistant, and I am getting along fine with the Minister of Fisheries. I do not want any comments I interrupt here today to reflect on the Minister of Fisheries in Ottawa. Oh, no, I do not want to do that. No way, I am serious. The gentleman is the first minister that I have seen in Ottawa who understands the problems of rural Newfoundland, maybe because his riding is a rural riding in Quebec and he represents rural Quebecers and many of them are unemployed - in his riding I think the percentage is 26 per cent unemployment, in Mr. De Bane's own federal riding. He understands the problems of unemployment. He understands that living in rural Newfoundland you have problems associated with rural parts of the country of Canada. And I do not want, any way today, to leave my comments to be interrupted some how as an attack on Mr. De Bane - no, no, no. However, Mr. De Bane is only one minister in Ottawa. And I will tell you this major injection of massive funds by the federal government is not going to be suddenly dumped into the fishery of Atlantic Canada - hundreds of millions of dollars

MR. MORGAN: dumped in by the federal government and say, 'Here go ahead'. It is going to be a big decision, a very, very major decision. That is the reason why Mr. Trudeau has appointed Mr. MacEachen and Mr. Lalonde and Mr. Gray and Mr. Johnson and all of these, because it is a very important decision. And I am saying if these gentlemen, these influential ministers in Ottawa, if they do not understand the ramifications of some of their thoughts and directions that indeed we are going to count on, I am going to say it again, we are going to count on those influential Liberals in Newfoundland who can persuade their colleagues to change their minds up in Ottawa when required.

MR. HODDER: What about the Government of Newfoundland, what are they going to do? What about the Price Waterhouse Report?

MR. MORGAN: No, Mr. Chairman, we will put forward - again I want to stress that - we will put forward what we think is the best decision for Newfoundland. Now, if I was out this afternoon talking about the whole restructuring plans and saying we disagreed with that, we agree with this, disagree with that the Opposition House Leader (Mr. Hodder) would be the first one to say, 'Oh, there goes Morgan again negotiating in public and talking about this and talking about that. Now that I am not doing it he is condemning me. It is the same thing I talked to Mr. Cashin about a few days ago, and he has had some general comments, but the fact is that he is not one of the major players. He is not going to be asked to put

MR. MORGAN:

any money in, I am sure of that. He should be, I would say they have a good kitty in their union kitty, millions of dollars from the offshore operations and other sources, over-the-side sales, and all of these. They have a good kitty of funds, but I am sure they will not be asked to put money into restructuring. So he is not going to be a major player in that regard, but he is a major player with regard to consultation, and we recognize that. That is the reason we had Mr. Cashin in for an hour or so, the Cabinet Committee of this government here.

MR. CHAIRMAN (Aylward): The hon. member's time has elapsed.

MR. MORGAN: Mr. Chairman, I get carried away.

SOME HON. MEMBERS: By leave? By leave?

MR. MORGAN: By leave, two minutes? I am off to the Piccadilly meeting.

MR. CHAIRMAN: Is the minister granted leave?

SOME HON. MEMBERS: By leave.

MR. CHAIRMAN: By leave. The hon. Minister of Fisheries.

MR. MORGAN: Mr. Chairman, again I want to say, and maybe I say it too many times, but the fact is that this issue -

MR. HODDER: The fact is you know about restructuring and you have not said a word.

MR. MORGAN: Mr. Chairman, I agree that I know lots of things have been talked about under restructuring. If I do not know it now after six months work, well what am I doing here? I know. Sure I do. But what I am saying is when we make a decision as to what our position is, and what our decision is, and surely we are entitled to make that decision without throwing out different

MR. MORGAN: directions to the public as to what we stand for, whether we want Burin reopened, whether we want Grand Bank to stay open, whether we want the Gaultois plant to stay open, whether we want the Fermeuse plant to carry on as a deep-sea plant, whether we want St. Anthony to come out of the Saldfish Corporation and go in with the companies, whether we want Port au Choix to go with the Saldfish Corporation or not, and all of these things, all different scenarios. When we take that position, sure the Opposition is entitled to know then, so is all of Newfoundland. So will all Newfoundland be entitled to know. And the Premier said today in Question Period they will know, but when they do know I am very, very anxiously looking forward to what position they will take then. When they know our position, where will they scream away or squirm away to then? What will they do then?

MR. DINN: There will be a silence.

MR. MORGAN: They are complaining we have silence now when we are negotiating and discussing a very important issue and rightly so, but I am saying before I close, that when the decision is made by this government then you are going to hear nothing but silence from the official Opposition in the House of Assembly.

SOME HON. MEMBERS: Hear, hear!

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

MR. ROBERTS: Mr. Chairman, much to the disappointment of the Minister of Fisheries (Mr. Morgan) I am not going to engage in a duel of wits with him, I want to do something that may be foreign to the minister, I want to talk about part of the Budget, I know the Budget debate is coming up and we will all have an opportunity to speak in that as well, but I want to talk for a few moments - and I am glad the Finance Minister (Dr. Collins) is back in his seat

MR. ROBERTS: because, of course, my remarks are directed mainly at him. He was the one responsible for the Budget in a very personal way, in the personal way in which the Minister of Finance (Dr. Collins) is the minister responsible for the Budget document itself.

First of all I just want to ask the minister when he speaks, as he no doubt will at some point in this Interim Supply debate - I gather it is going to go on. Am I letting the cat out of the bag if I say

MR. ROBERTS: how long it may go on? It may go on until the House rises next week. It could easily go on, I mean, with the kind of attitude we are seeing opposite and we have not heard yet from such gems as the gentleman from Stephenville (Mr. Stagg), a rough diamond indeed, a very rough diamond indeed and, of course, the gentleman from Mount Scio (Mr. Barry), now that the farming season is over, is back with us again.

MR. NEARY: St. John's North. St. John's North.

MR. ROBERTS: The gentleman from St. John's North (Mr. Carter) - the gentleman from Mount Scio is an estimable gentleman and indeed has more sense in his little finger than the gentleman from St. John's North has in his whole big arm.

MR. CARTER: You cannot speak badly of your partner.

MR. ROBERTS: I am not speaking badly of my partner, Sir. I only wish that the gentlemen on the other side had enough wit to support the gentleman from Mount Scio who, of course, has been shown by time to have been so very right on a major issue where the Premier was so very wrong. But I just want to say to the Minister of Finance (Dr. Collins) that he would be interested to know that on Saturday past at a public meeting in this Province, one of his colleagues denied that that colleague knew anything at all about the Budget before it was introduced here in the House on Thursday, before the Speech was read. And I would be grateful if the Minister of Finance would confirm or deny the statement by one of his colleagues, because it goes to the very heart of responsible government as to whether or not one of the major policy items in the Budget, one of the major items announced in the

MR. ROBERTS: Budget, had not been discussed or agreed to by the Cabinet before the minister made his -

MR. NEARY: Health?

MR. ROBERTS: It was in the health field, yes.

MR. NEARY: Oh!

MR. ROBERTS: - before the minister made his Budget Speech here in the House on Thursday past. So perhaps the minister could deal with that and we may or may not have more to say. But I will tell him that a minister of the Crown, one of his colleagues, a gentleman who to my knowledge has not resigned from the Cabinet, said at a public meeting on Saturday past in this Province that he, a minister, had not been aware of a major development in the Budget which affected his own constituency, before the Speech was made here in the House. I will leave it at that. The minister may perhaps be able to tell us about that.

MR. HOUSE: What was the statement, first?

MR. ROBERTS: Which statement?

MR. HOUSE: What statement are you making?

MR. ROBERTS: The statement I made, I say to the Minister of Health (Mr. House) - he is not the gentleman to whom I am referring, by the way. The statement I made, for the benefit of the Minister of Health, is that one of his colleagues said publicly at a meeting on Saturday past that he had not been agreed - he, being a minister of the Crown, which leaves out the hon. lady from Humber East (Ms Verge) and the hon. lady from Gander (Mrs. Newhook) and narrows it down to a number of other members of the Cabinet. And I say to the gentleman from Stephenville (Mr. Stagg) who is trying so very hard to rise to the eminence of the Cabinet and the hon. gentleman from St. John's North (Mr. Carter) who has risen and has fallen and hopes yet

MR. ROBERTS: to rise again Phoenix-like
from the ashes, that they too might want to know about
that.

MR. BARRETT: He may make it quicker than you think.

MR. ROBERTS: I say to my absent friend
who is without the bounds of the House, from St. John's
West, that on the terms in which those gentlemen would
get into the Cabinet, I would rather not be there. Yes,
I say that without any hesitation at all.

MR. E. ROBERTS: The difference, Mr. Chairman, is that I have been there and I know exactly why they are working so hard to get where they hope to get. Mr. Chairman, here I am trying to make a few quiet remarks and already every Yahoo on that side is yahooing and yehawing and whoyawing, they have learned nothing. They are like the Bourbons, they learn nothing and they forget nothing and their fate will not be unlike that of Louis - which was it, Louis XVI who had his head cut off or was it Louis XVIII I can never keep them straight - and Marie Antoinette. And, of course, they too, as did the late Mrs. Antoinette, speak of 'let them eat cake'.

Mr. Chairman, I do want to ask the Minister of Finance (Dr. Collins) if he will address a matter that I consider to be a very serious one because it goes to the heart of the integrity of the document he has presented here in the House. The question I am getting at is the accuracy of his revenue estimates. I will say that the Minister of Finance's record has been such that one is entitled to question the accuracy of his estimates. And I will say again- the minister is studiously ignoring me. That is up to him, of course. There is no law that says he must either listen or understand, much less answer. But there are very serious questions about the integrity of his Budget Estimates, his revenue estimates. Now, I only have a very few moments and I will come back at it again, I just want to touch on two revenue sources. The Corporate Income Tax, which is one of the major tax sources and one of the major tax yields is estimated in the coming fiscal year, the 1983 - 84, year, by the minister to yield \$45.5 million. The revised estimates for the current fiscal year, the one ending in ten days is \$36 million. That is an increase of about 25 percentage points. Last year the minister in his budget estimated that the corporate income tax would yield \$53.9 million, whereas the year before,

MR. E. ROBERTS: 1981 - 82, it actually yielded \$44.8 million. Now, I simply want the minister to tell us on what basis he estimates that the yield from corporate taxes will go up by 25 per cent this year. And if it does not go up by 25 per cent this year then, of course, there is a \$9 million hole in the budget, we are \$9 million worse off than we expected. That is one.

MR. ROBERTS: Eventually we will go through them all. But let me turn to another that is far more significant in dollar terms, but where the same interesting story arises. The retail sales tax; I mean, here the story is most interesting, Mr. Chairman. The estimated yield from this tax source this year is \$340 million, \$340.5 million, according to the information which the minister has given us. The actual final yield last year, we are told, and the year is not over, but all eleven months' actual results I guess were to hand, came to \$275.6 million. The minister is budgeting for a \$23.4 per cent increase in retail sales tax yields. I would like him to tell the Committee on what basis he feels that the amount of money that Newfoundlanders and Labradorians will have to spend on items that attract the retail sales tax, the amount they have to spend, is going to go up by 23 or 24 per cent in this year over last year. That is a higher increase than we have seen - I have gone back as far as 1979-1980. The minister has put in these projections. Last year his record was even more lamentable. He estimated \$286 million at the start of the year, then, of course, we had the infamous mini-budget and I will deal with that again later. But the minister still has not come clean with this House, or with the people of the Province, and I have more information now as to when the minister actually became aware of the revenue shortfalls. But he estimated \$286 million in his budget, the final outturn was \$275.6 million and that is after the tax, of course, was whopped up by 8 per cent - by one point, from 11 to 12. And the minister, in other words, had a higher tax and his yield was down.

MR. ROBERTS:

Mr. Chairman, all I want to say now is to raise these three questions to the minister. Number one, is he aware, and if so what will he say, to the fact that one of his colleagues has publicly said that he was not aware of one of the major administrative decisions in the budget. And the hon. minister said that at a public meeting in this Province on Saturday past.

Number two, can the minister explain, if he would please, the basis on which he estimates that our tax yield from corporate tax will be 25 per cent greater this year than was the actual yield last year?

And finally, and most important of all in dollar terms, can the minister tell us why he estimates that the retail sales tax, with the rate unchanged, will yield \$65 million more this year than it did last year. 23 per cent more, and the rate is up 12 points for all of this year. Last year it was 12 points for - what? - for about five and a half months as I recall it.

So I would ask the minister if he would be kind enough to explain these to us. We are willing to listen. We are willing to be convinced. But I will say to him that the burden is on him. And I will say to him as

MR. ROBERTS: well, and he realizes the obvious inference to be drawn, if he cannot show us on what basis these estimates have been derived, and they are higher than any historical ones in the last four or five years would justify, far higher than the economic forecast would justify, then the obvious inference is that the minister is overstating revenue ~~deliberately~~ which, of course, is another way of saying he is deliberately understating the deficit on current account which, of course, is another way of saying he is simply cooking the books. And on the record this minister has already done that. We are not accusing him of it now. All I want to ask him is, these are questions, let him answer the questions and depending on his answer we will see where we will go from there.

Thank you, Mr. Chairman.

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

DR. COLLINS: Mr. Speaker, the hon. member for Port au Port (Mr. Hodder) brought up a number of points when he spoke and most of them related to the fisheries and I think those points have been adequately answered by the Minister of Fisheries (Mr. Morgan) so I do not think I have to get into that aspect of things. The only comment I would make there, I think, in the course of his remarks he may have indicated that the debate going on Interim Supply can be again duplicated during the debate on the main estimates and that is so. But, of course, the two debates are within the confines of the seventy-five hours, so it is up to the Opposition how they want to handle it. They can either put the main emphasis in debate on Interim Supply or they can put it on the main estimates but they do have to go by the rules of the House and the rules under which we operate does limit the debate for the estimates, whether they be

DR. COLLINS: Interim Supply or main supply to a seventy-five hour period. And as hon. members of the committee know, a certain number of those hours will be spent in the special committees that are set up to deal with various departments' estimates.

In regard to the hon. member for the Strait of Belle Isle (Mr. Roberts) the first point he made was in regard to some statement that a minister was purported to have made over the weekend. Well, possibly I did not read all the media or did not see all the electronic media, but I must confess that I do not know which statement he is alluding to. I am really in the dark on that and unless he will tell me what the statement is, which he avoided doing for some obscure reason of his own, unless he tells me what the statement is I can hardly comment on it. I will be glad to do what I can when I know what the statement is, but I hardly really comment intelligently on some vague reference to some statement that might have been made by someone as yet unknown to me.

DR. COLLINS: The points, I suppose, more worthy of comment are his concerns expressed about the revenue estimates. And I do not have any problem in discussing that with him and I can see why he should raise the question, because I think that these questions may be in a number of people's minds. They may look back at the projections that were made in the last fiscal year and, having experienced what ultimately came out, they could legitimately ask, 'What about the projections in this year's budget? So I think it is a legitimate question. I would answer it in this way, that we have discussed the economic climate that we can expect in this coming fiscal year in great detail with the expert people on whose advice we rely. And we also, of course, reviewed with them in considerable detail what went on last year. And out of these discussions we have come to the conclusion, and we agree with our experts in this regard, we have come to the conclusion that last year is very, very unlikely to be duplicated this year. Last year the economy in this country plummeted to a degree that I do not know if it was seen in the Great Depression years in the early '30s; it may have been duplicated then but it certainly had not been duplicated since then. There was a total turnaround of an enormous magnitude in the economy last year. I think the federal government projected that the economy would grow by either 2 per cent or 2.5 per cent last year when in actual fact it went into a negative phase of about roughly 5 per cent. So there was about a 7 per cent change in the projections of the Canadian economy last year. Now that is a unique reversal of projections. And our advisors tell us that that is most unlikely to happen again this year, that not only has the economy sort of absorbed to some extent those most unusual circumstances, but also

DR. COLLINS: people who supply us the information on which we based our projections have learned from that experience and they are being somewhat more cautious and are researching the facts to a greater degree so that their advice to us can be more accurate.

We in this Province are expecting that the Gross Domestic Product will change from a minus 6 per cent last year - which, again, was not projected in my last budget, granted, but, as I say, we are not alone in that; we are like the federal government and many other provincial jurisdictions in that regard, we got a very unusual situation there - but, anyway, last year there was a minus 6 per cent growth in our Gross Domestic Product and on the basis of the advice we have this year we will get a positive, plus 1 per cent growth in our Gross Domestic Product this year. So we are therefore expecting to find a 7 per cent change in economic activity in the Province this year. And that accounts to a considerable degree for some of the revenue estimates, for some of the increases in the revenue estimates.

Looking at the particular ones that the hon. member mentioned, the Corporate Income Tax, that, of course, is not something that we project ourselves. We are not responsible for the projection there in terms of its size.

DR. J. COLLINS: Hon. members know that the federal government collects corporate income tax for the Province, it is a provincial source tax but nevertheless it is collected in the federal hands, and we are reliant on them for these projections. The latest one that we got from them showed that our revenues would increase by that magnitude. It is a sizable increase and I can only presume that they feel that the economy in the Province will track the increasing strength of the economy in Canada as a whole and therefore we will get these extra revenues. In addition, hon. members will remember that in the Budget last year there was an increase in corporate income tax placed on large corporations which was effective as of the beginning of the calendar year. So whether that has any influence or not I am not prepared to say, but I just want to point out that it is the federal government who supplies us with that information.

Now, unlike that, in terms of the retail sales tax we make our own projections on that from the best information we can get, and if our economy does go from minus 6 per cent gross up to a positive 1 per cent gross obviously that will have some spinoff beneficial effects in terms of our revenues. The other large element in that is that in November we did have this 1 per cent increase in the rate of retail sales tax and retail sales tax was extended to cover adult clothing, so that in this year we will have an annualization of the revenues that are coming in from those two points whereas in fiscal 1982-83 we only had the revenues coming in there from November to March, four and a half months. So we will have four and a half months to compare with twelve months and that to a considerable extent accounts for the rise in the projections in retail sales tax. I think those are the points that are apparent.

MR. E. ROBERTS: What about the statement a minister made that he did not know what was in the Budget?

DR. COLLINS: Well, I think you were out of the House temporarily. I said I cannot comment, I did not know what the statement was. I did not read any such statement or hear any such statement. I mentioned that you had not given the statement or even indicated which minister made it. I cannot comment on that unless I have a bit more information.

MR. ROBERTS: If the minister would permit a question?

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

MR. ROBERTS: Can the minister assure us - and I do not doubt that this is so but I want to hear it from the horse's mouth and not the other end - can the minister therefore assure us that, you know, the Budget, as he presented it in the House, did represent the considered position of the Cabinet, which is what I would expect, and that of course all of the ministers were aware of what was in it before it was made public?

DR. COLLINS: Mr. Chairman, I cannot comment on what horses would say from whatever end of their anatomy, because there are no horses over here. But I would point out, of course, that the hon. member for the Strait of Belle Isle (Mr. Roberts) is perfectly familiar with how the budgetary process goes, that these matters are, except perhaps in very fine degree, reviewed by full Cabinet; they are dealt with in minute degree by Committee of Cabinet, they are dealt with, certainly in their main outlines, and I suggest much beyond the main outlines, by full Cabinet. I think that as soon as we see what statement the hon. member is referring to we would be in a better position to comment on it more fully.

MR. ROBERTS: Mr. Chairman.

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

MR. ROBERTS: I thank the minister for what he had to say on the latter point in particular. To deal with it first, what he said is what I would have expected, and I suggest further what he said is what is right and proper; that of course the members of the Cabinet would be fully aware, perhaps not in the most minute detail, but would be aware in everything short of the most minute detail of exactly what was in the budget. He said enough for our purposes now. We have laid the groundwork, we will now in due course have something more to say. I will simply say to him that one of his colleagues did say at a public meeting, I am told by very reliable sources - I was not there myself -

MR. REID: Hearsay.

MR. ROBERTS: Yes, it is hearsay. In law it is hearsay and I will tell my friend from Trinity-Bay de Verde (Mr. Reid) who knows all about these things, that you can be convicted on

MR. ROBERTS: hearsay. Look, I do not want to be bothered by rabbits when I am after elephants. Would the hon. gentleman from Trinity-Bay de Verde (Mr. Reid), just control himself as best he can, and if not let him leave the House and control himself outside? But I would say to the Minister of Finance (Dr. Collins) that one of his colleagues did, at a public meeting held in the Province, on Saturday, say that he was not aware of a portion of the budget before it was announced, which is more than a minute detail. So I thank the minister, he has confirmed what I understood to be the facts and, let me say this, I certainly did not say there were any horses on the other side, half-horses, yes.

MR. NEARY: Now we will get the affidavit.

MR. ROBERTS: Half-horses, yes. Anyway we will hear a little more about just what was said. Then we will find a little bit about responsibility, and integrity, and courage and honour, and all these words that people quite properly cherish so greatly.

MR. NEARY: We will get the sworn testimony.

MR. ROBERTS: Now, Mr. Chairman, let me come back to what the minister said on the other points raised by me, and again I thank him for his comments. I tried to note them down and deal with them. What he says on corporate income tax, if I read him and hear him correctly, is that these estimates are set by the Government of Canada. I think that is what he said. The Government of Canada, of course, collects the tax. It is imposed by the Government of Newfoundland, by this Legislature, but the Government of Canada collect it. We quite properly and wisely do not try to maintain a separate

MR. ROBERTS: tax collecting mechanism. We will when the separatist tinge goes a little further, but the practice that seven of the other provinces follow, Mr. Chairman, is the one that we follow. Alberta, I believe, does have its own corporate tax collecting mechanism. I believe in Edmonton they have set up their own tax department for corporate tax.

MR. ROBERTS: Quebec, of course, collects its own personal and its corporate tax and it wants no part of the Department of National Revenue in Ottawa at all. So what I hear the minister to say is it is Ottawa's estimate. Well, fine, I am content to leave it at that for the time being. We will see some more, because we have already seen the minister's comments last November on Ottawa's estimates, and I will say to the minister that, since he made those in the House, I have been able to luck into some additional information which will indicate when the minister became aware - became aware of what? - became aware of certain mis-estimates by the federal government. And I want to save it for another day, I only have ten minutes now, but I want to say to him that the evidence - hearsay and direct, for the benefit of my friend from Trinity - Bay de Verde (Mr. Reid) - the evidence indicates in very strong terms the Minister of Finance (Dr. Collins) was aware, at the very latest, late in the month of July or early in August, of the financial situation vis-à-vis the federal government which he did not reveal to the people of the Province until his mini-budget which came - What day? Was it mid-November?

MR. TULK: Something like that.

MR. ROBERTS: Around the middle of November. So we will deal with that again a little later.

DR. COLLINS: The 18th of November.

MR. ROBERTS: Can I help the minister?

DR. COLLINS: The 18th of November.

MR. ROBERTS: The 18th of November, a day which will go down in fond memory. People throughout Newfoundland remember the minister kindly. He did not need to remind us that the sales tax went up a point or

MR. ROBERTS: that kids' clothing is now the only untaxed clothing item. Everybody in Newfoundland and Labrador remembers that full well. That is probably why I was told by one of the hon. gentlemen opposite today that if there were an election today they would lose. My answer was, unfortunately, there is not going to be an election today, so we will not know.

AN HON. MEMBER: (Inaudible) a nightmare.

MR. ROBERTS: Yes, I agree, it is a nightmare for hon. gentlemen opposite because then they would have to do something they are not used to, they would have to get out and work. They would have to do a day's work, and most of them have not even got stamps.

MR. BARRETT: Over here we are a bit more successful than on your side.

MR. ROBERTS: A bit more successful at avoiding work? Yes, I say to my friend from St. John's West, certainly far more successful. I say to my friend from St. John's West, in the words of the old Methodist hymn, "While the light holds out to burn, the vilest sinner may return," and for him, too, the door is open.

Mr. Chairman, let me come back now to the main actor in the Punch and Judy show which the Budget represents, the Finance Minister (Dr. Collins).

MR. CARTER: Try and be nice now!

MR. ROBERTS: I say to my friend from St. John's North, I am being nice. I am being more than nice. I am killing those opposite with kindness. I have had a Summer to mellow and to reflect upon the beneficences of the Peckford administration, on the new standards they have set of probity and of integrity and of decency.

MR. ROBERTS: I am not even talking about the letters they have written saying, 'If you do not agree with us on offshore we will get you.' I am not talking about that now, I may later. I may be provoked into it. But the Premier and his minions have set new standards in integrity, in probity

MR. ROBERTS: and in honour and in the willingness with which they approach matters and view them on their merits. Of course, they have new standards never before reached in this Province. People can judge themselves to determine whether they are up or down and that is something we will talk about later.

The Finance Minister

(Dr. Collins) used one of these marvellous words, 'annualization.' I used to have a friend who said, 'If you do it, you clean it up', and I think it falls in that category. But what he is talking about is the actual yield we are likely to get from a tax source over a twelve month period at a given rate. And what he is saying is that the retail sales tax went up one point for a little over a third of a year and it produced \$5 million more than he had estimated we would get without that increase. He had estimated without the increase we would get \$270 million. In fact we got \$275 million. So \$5 million for four months, including the Christmas season. As the hon. gentlemen know, the Christmas season is - what? - 20 per cent to 25 per cent of the total retail trade, that much is done in the Christmas season. But I will be charitable to the minister. Let me multiply it by three. Three times five, I say for the benefit of the minister - he does not need to write this down - is fifteen. He can take my word or if not he can have one of his officials check it. Fifteen million dollars for the year, that is the extra yield from the one point by his actual experience. It went up \$5 million over four and a half months. Even forgetting the fact that those four and a half months included the busiest retail season, the Christmas season, we will give him \$15 million on that.

So his tax yield is going up, we figure, by \$65 million. Some \$15 million of that we can account for by what he calls the annualization

MR. ROBERTS: factor. 'Annualization,' That is a marvellous word, annualization. It has a ring to it, Mr. Chairman. It rolls off the lips. Why in the Northeast Crouse tonight and in Back Harbour, Conche there will rejoice, It trips off the lips, 'annualization.'

DR. COLLINS: It has a ring.

MR. ROBERTS: Yes, yes. The hon. gentleman might be thrilled with other kinds of rings, he sees enough of them too if he wants to get into that.

Now, Mr. Chairman, he also then told us that a 7 per cent turnaround in our Gross Provincial Product and the Gross Domestic Provincial Product is probably as good a measure as we are going to get of what we are going to get from sales tax, because of course sales tax is directly related - it is the most regressive tax that could be devised - to what people spend. And given that almost everything is taxable except food and childrens' clothing and fuel, it is directly related to people's disposable income. So we have a 7 per cent increase in the Gross Domestic Product, he predicts. Now he also admits his prediction record is not even as good as that of the weatherman, but let us give him the seven points he asks for, a 7 per cent turnaround. Last year it was minus six. This year it is going to be plus one, therefore, quite correctly, he says that is a seven point turn around.

On the basis of a seven point turn around in gross provincial expenditure, he is predicting a total increase of \$65 million less \$15 million. That is \$50 million in sales tax yields. Now \$50 million is what he is

MR. E. ROBERTS: predicting with seven points, \$7 million per point increase. If you multiply that by 100, 100 points being the total, the sales tax yield, by the minister's calculations, should be \$700 million, and yet it is only \$340 million. In other words, the minister, Mr. Chairman, is trying - I am not saying he is attempting to mislead the House, because to do that he would have to understand the figures, and I am not sure he does - but our sales tax yield is \$340 million. That is \$3.4 millions for each point if you take the Gross Domestic Product and relate it through 100 points, \$3.4 million a point. So we get a 7 point turnaround in the Gross Domestic Product and the sales tax goes up by \$3.4 millions? No! By \$4.4 millions? No! By \$5.4 millions? No! By \$6.4 millions? No! By \$7 million? Yes! A \$7 million turnaround. Now who does the minister think he is kidding? Let us assume, as I must, Mr. Chairman - the minister believes himself to be an honourable man and I have no reason to question that at all - he believes what he is saying, whether he understands it or not is a matter for argument. But who is the minister trying to fool? A 7 point turnaround in Domestic Provincial Product! And this, let me remind you, Mr. Chairman, was the minister's own defence. It is not something I dreamed up, it is something he brought up in his defence. So I say to him now that, he is entitled to have another bash at the apple, let him try to tell this Committee and the people of this Province the basis on which he drew it. Because if not what is coming out in today's debate is that this estimate is at least \$25 million too great, which means instead of beginning the year with a \$28 million deficit on the current account, we are now up to \$53 millions.

MR. CHAIRMAN (McNicholas): Order, please!

The hon. members time has elapsed.

MR. E. ROBERTS: Mr. Chairman, may I have a moment or so? Hon. gentlemen opposite?

SOME HON. MEMBERS: By leave.

MR. ROBERTS: I thank them.

MR. BARRETT: No problem. We enjoy listening to you.

MR. ROBERTS: Well, I say to my friend from St. John's West (Mr. Barrett), I am glad he is enjoying listening and I hope he learns more from this than he has hitherto shown us he knows.

MR. BARRETT: Too bad your are not in the House more often.

MR. ROBERTS: I would gladly be in the House more often. Unfortunately this government has been so niggardly in providing the people of this Province with judges and courtroom facilities that one must occasionally go -

MR. BARRETT: You are filling in, are you?

MR. ROBERTS: No, I was not. I was filling in in the pit before a judge, but there is a very limited number of judges available and the result, I say to my hon. friend, is that whenever one gets the opportunity to appear before a judge -

MR. BARRETT: It must be our loss.

MR. ROBERTS: Well, I also hope it is the defendents loss since I was acting for the plaintiff in the matter. We will see when the judge decides the matter.

Now, Mr. Chairman, the problem, though, is a real one. The revenue estimates are at the very heart of the entire Budget process, and, if the revenue estimates are not valid, then the entire Budget is in serious question, its integrity is in question, the genuineness, the truth. And I am not saying these figures are not genuine;

MR. E. ROBERTS: I am saying the minister has not answered any of the questions which have been raised and in fact in attempting to answer them he has made the situation immoderately worse. A 7 point turnaround in the Gross Domestic Product in this Province does not equate to a \$50 million increase. And remember, I have allowed him \$15 millions for his annualization factor.

MR. ROBERTS: He is at least \$25 million out in his estimates. Now, Mr. Chairman, the Committee have been good enough to extend me a moment or two, I am grateful to hon. gentlemen opposite, and I shall await the minister's response with interest. And if not, we will doubtless hear more about this because I think that the entire budgetary process - this minister's record as a predictor has been abysmal - the entire budgetary process is very much in question. If you cannot believe what the government says, then where are we?

DR. COLLINS: Mr. Chairman.

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

DR. COLLINS: You are in good hands, Mr. Chairman, if you believe what this government says.

SOME HON. MEMBERS: Hear, hear.

DR. COLLINS: The hon. member is undoubtedly a good lawyer. I have no personal experience with him, probably that is to my disadvantage, but I have absolutely no doubt that he is a good lawyer. I think we could take that as read anyway. But that does not necessarily make him a good mathematician, it does not even make him a good public servant, and it certainly does not, I think, make him a good projector. Firstly, he is suggesting by his remark that the Ministry of this government is telling the public servants how to evolve these projections. Well, I can categorically reject that and I can say that I reject it with some resentment. We do not tell our public servants how to do their job. We take responsibility for what they come up with because that is the position we are in, but we do not in any way - and I think I can say this without any shadow of a doubt in regard to all my colleagues in the Ministry - we do not direct the public servants of this Province to do something that they would not do in a very professional manner. And we have senior public servants

DR. COLLINS: in this government who are extremely professional people, very dedicated people and to suggest that there should be some slur put upon them I think is most reprehensible. I would like not only to couple my comments in regard to the hon. member's statements there, but I also want to say something about that individual up at the university whom the hon. Minister of Fisheries (Mr. Morgan) responded to a little while ago, Mr. Malcolm Montgomery, who is a factious ass. I have no hesitation in saying that in this House. Mr. Montgomery is a factious ass. I have read some of his publications before, I had occasion to discuss it with my colleagues before - this was some months ago - and we agreed that it was rubbish what this particular gentleman comes up with. You will recall that there have been any number of people commenting on the international economy in recent months. Who has ever heard of a comment that anybody has given any credence to by Mr. Malcolm Montgomery? You know, I do not think he is heard outside the campus of Memorial University and, quite frankly from my knowledge of his remarks in the past and his publications in the past, I do not see why he is heard within the confines of the campus at Memorial University. So I make that statement just to ignore it.

MR. NEARY: It must have really hurt you.

DR. COLLINS: Now, Mr. Chairman, getting back to the hon. member again, he mentioned that the retail sales tax is regressive, and that is quite true, it is regressive. But I would say that its regressiveness is tempered in this Province because, as the hon. member himself said, we do not exact retail sales tax on many of the necessities in this Province, the necessities that people of lower incomes rely on in terms of the amounts of money they expend for their annual expenses, food, fuel and children's clothing. The fact that there are exemptions in these regards temper the regressiveness of the retail sales tax very markedly.

Now I started out by saying that I do not think the hon. member is necessarily a good mathematician even though he is a good lawyer. He forgets one thing when he tries to relate the retail sales tax revenues with the Gross Domestic Product. Earlier I did say there was a relationship there, and there is. I think everyone agrees there is a relationship there, but it does not necessarily mean there is a direct relationship. There is a change. If the economy weakens, people tend not to buy the more luxury items or the big ticket items, such as cars, for instance, on which retail sales tax revenues depend to an inordinate degree. So the fact that the economy is coming back by, say, 7 per cent does not necessarily mean that we will only get a 7 per cent increase in retail sales tax, because that boost in the economy will mean that people will buy more of the items on which a large amount of retail sales tax flows into the coffers of this Province than would if the economy were in a down turn. So I can

DR. COLLINS: assure the hon. member, if he needs such assurance, that these projections were done by our professional people in the public service. They are highly competent professional people. They were given no direction whatever - I say this without any shadow of a doubt whatever - they were given no directions from this government, and specifically by myself, to put the most generous interpretation they could put on the facts before them; they were left entirely to themselves to use their best professional judgement and these are the projections they came forward with.

MR. ROBERTS: Mr. Chairman.

MR. CHAIRMAN (Aylward): The hon. member for the

MR. ROBERTS: I am provoked by the hon. minister's lashing of me. He spoke of a fatuous ass, I am reminded of the story about the jaw bone of an ass, and the Minister is trying to jaw-bone us all into precipitous retreat. But let me make two or three comments; first of all, I have nothing to say about Mr. Malcolm Montgomery except two things; number one, I have never met the gentleman, to my recollection or knowledge. I have never spoken with him, I know nothing of him other than what I have read in the papers, and if the Minister feels for the moment that what I am saying reflects Dr. Montgomery's advice he is mistaken. I have not had the benefit of Dr. Montgomery's advice and counsel and, secondly, let me say that I regret that the Minister sees fit to use language such as he did use in describing this gentleman.

DR. COLLINS: It was mild language.

MR. ROBERTS: The minister may say it is mild language. I think that the people in this Province, Sir, have a right to expect better than that of a Minister of the Crown. Let him say that Mr. Montgomery is mistaken. If he believes that the man is mistaken then, by all means, let him say so, let him try to destroy his ideas. But I do not think that that is at all cricket in any way for the minister to get up and call a man, in his exact words, 'a fatuous ass'. If he wants to call it to one of us, fine, we can fight back. But I think it is something that ought to be deplored and a matter of regret that the Minister of Finance (Dr. Collins) -

MR. BARRETT: He used restraint.

MR. ROBERTS: I am sorry?

MR. BARRETT: I said, 'He used restraint.'

MR. ROBERTS: He may have used restraint. The hon. gentleman opposite may not like this Mr. Montgomery because he has dared to speak out. But, I would say to my friend from St. John's West (Mr. Barrett), Mr. Montgomery is only saying what thousands of others throughout the Province are saying. Mr. Chairman, the point remains that I think it is a matter of regret the Minister of Finance, who is a decent person, would see fit to stand in this House and blackguard a person who is not able to defend himself, and not a matter of attacking the man's ideas or the man's comments. If somebody inserts himself in the public debate he has a right to expect to have his ideas and his comments commented upon adversely or not as the case may be, but I think it is below the standards which I have expected of the Minister of Finance and I regret that he now has

MR. ROBERTS: fallen into this kind of pit. It is perhaps though, Mr. Chairman, a measure of the Minister of Finance's (Dr. Collins) own perspective on the debate on his most recent budget. He knows full well, better than any of us, how valid or how invalid it is. He knows better than any of us what it really represents. The rest of us may suspect, we will not know for a number of months, but we will know. There will be a mini budget this year. The Minister of Finance will be back at some point admitting that his estimates were wrong. He knows that. He knows it now. He knows he has overestimated now.

DR. COLLINS: You hope that will be the case.

MR. ROBERTS: I do not hope that. Now all of a sudden I am going to be called a traitor next, a traitor for daring to question, just as I was called a traitor in this House for daring to stand up one day and say, 'Look, why do we have this legal row with Ottawa over the offshore? Why do we not do a political deal?' You know, 'time makes ancient truth uncouth' and time makes ancient uncouth truth. I say to the Minister of Finance - he could mark me wrong, what I say within Hansard, he can read it - that before this financial year is over he will be back before this House correcting his estimates, if he has the courage to do it and if he is still in the Cabinet, and I will give you odds on either of those.

MR. BAIRD: Is it not time for you to sit down?

MR. ROBERTS: Mr. Chairman, I am sorry if I am disturbing the slumbers of the gentleman from Humber West (Mr. Baird). I apologize to him. He obviously needs all the beauty sleep he can get as he would be the first to agree. Now, Mr. Chairman, let me say that I am sorry

March 21, 1983

Tape No. 464

IB - 3

MR. ROBERTS:

the Minister of Finance

(Dr. Collins) has chosen to descend to this kind of personal, scurrilous attack. I would have expected it from

MR. ROBERTS:

some of the members opposite, I would not have expected it from him. In fact, he would have been one of the last. And I am sure that when he has a little second, sober - by which I do not mean non-alcohol; I mean 'second, sober' in the non-alcohol sense - contemplation, he will regret having attacked this man, And I never met him, I would not know the gentleman if I laid eyes on him; he is not sitting in the galleries, unless he is the one gentleman who is there. I have no idea of the man, I know nothing about him. I would also say to my friend from St. John's South (Dr. Collins), the Finance Minister, that, if he wants to egg on his critics, the way to do it is to call them "fatuous asses". I think he will live - that belongs to Charlie Power, do not go taking that, the poor man's paper. I am sorry, I say to my friend, the Minister of Forest Resources and Lands (Mr. Power), I had to threaten to go bail for his paper, I did not want to see it lost. It tells us that John Crosbie is running for the leadership, and that is news? I mean, you know, that is news.

MR. TOBIN:

Are you supporting him?

MR. ROBERTS:

I would support him because I think one of the best ways the Liberal Party could ensure its tenure of office in Ottawa is to see John Crosbie elected as leader. He has wrecked two governments, and now, by God, he will wreck a third.

Now, Mr. Chairman, let me come

back to the other point -

MR. BAIRD:

What about Mr. Trudeau?

What do you think of him?

MR. ROBERTS:

I voted for him a number of times and so did John Crosbie.

MR. ROBERTS: Now, Mr. Chairman, let me come back to the Minister of Finance's attempt at defending himself. He, if I understood him correctly, said that I was attacking his public servants. Well, I am not the least bit worried about what the Minister of Finance may try in a desperate attempt to bolster a weak position, but I would simply say to any of his officials who may wish to believe this particular malicious poison, they should have a look at Hansard. What I say to the minister is this: Let him produce the evidence that his officials recommended the \$340 million figure; and let him in so doing deal with the fact that the officials put up a range of estimates, of revenue yields from each tax source; and let him deal as well with the fact that any estimate has to be made on assumptions, and let him - I do not care what official, it is not the least bit relevant which man or which lady did it, but he has now chosen to try to shift the burden and the blame to his official. He is not man enough to stand as a minister and say, "There it is." The minister himself cannot tell us the basis on which those estimates were derived. All he now says is that they were done by the officials. Well, I say to the minister, let him produce some evidence here that his officials did in fact recommend \$340 million as a tax yield, a likely, probable, prudent estimate. It may have been a pie in the sky estimate, it may have been an estimate predicated on the offshore being settled, forty-seven drilling rigs being there, the Hydro Quebec thing being resolved in our favour -

DR. COLLINS: That is misinterpretation.

MR. ROBERTS: Yes, I agree, and so is what the minister said misinterpretation. The difference is I admit it. So I say to the minister, let him bring that in.

MR. ROBERTS:

Now his final point was to make the startling insight into the obvious that Gross Domestic Product is not directly related, I think to quote him correctly, not directly related to the tax yields." That is true. That is true. Because parts of the Gross Domestic Product are not spent, and parts of that which is spent are not spent on taxable purchases. There are items which are paid for which are not taxable yet,

MR. ROBERTS: you know, paying for your house, rent. The government have not yet started taxing rent or mortgage payments - they might yet. They have not started taxing fuel - they might yet. They have not yet started taxing legal services. That was what we were all waiting for downtown, taxed legal services, a fee of 12 per cent on top of the lawyer's fee.

DR. COLLINS: What would you think of that?

MR. ROBERTS: I would think, Mr. Chairman, that every client would shout hosanna to the minister's name. If it is levied correctly, if it is levied lawfully, it will be levied on my accounts too, no question. Delighted to do it! It will be down below, '12 per cent for John Collins.' That is how we will show it. If it is levied by the Province, we will levy it and the clients will know where it is going.

MR. TOBIN: Your services are still cheap.

MR. ROBERTS: I agree. I say to my friend from Burin - Placentia West that my services are well below what they really ought to be worth. Unfortunately, there is a market. And I would say to him, anytime he needs good legal advice, and he does not want to get it from his friend from Stephenville (Mr. Stagg) or his friend -

MR. HODDER: I would recommend that he dump him.

MR. ROBERTS: Yes, my friend from Port au Port (Mr. Hodder) recommends that. Anytime he does not want to get it there, anytime he wants real good advice from the horse's mouth instead of the other end, he should come to this side and he will get it, provided he can pay, unless he comes under legal aid. And he may come under legal aid. I have no idea of the hon. gentleman's financial status or lack thereof. I was up at Marystown last week and I learned something about the hon. gentleman's political

MR. ROBERTS: status but that is another story. We will hear about that.

MR. DINN: That is good.

MR. ROBERTS: It is good for us, yes. I say to my friend, the Minister of Labour (Mr. Dinn), it is very good for us. A few more gentlemen like the gentleman for Burin-Placentia West (Mr. Tobin) and we will be back on that side. That is when our troubles begin.

MR. DINN: That is what you said last year.

MR. ROBERTS: No, I did not say it last year.

MR. TOBIN: I heard you told the people of Marystown that I was not a bad fellow.

MR. ROBERTS: That is true, I do not think you are a bad fellow. Incompetent, perhaps, but not bad.

MR. TOBIN: I cannot even see how popular he is in his district.

MR. ROBERTS: No, and I could not see how popular the hon. gentleman was. In fact, what I saw was not popular.

MR. BAIRD: You better be careful, I might go to St. Anthony next time.

MR. ROBERTS: I am glad my friend is coming in St. Anthony, I would say it will be the biggest boom the Liberal Party have seen in years for the gentleman for Humber West (Mr. Baird) to be in St. Anthony representing the Tory Party.

MR. BAIRD: When they elected the hon. member they thought it was me.

MR. ROBERTS: They thought it was you.
Well, I would say that is fine to my friend. That is more than the people for Humber West ever thought of the hon. gentleman. Mr. Chairman, how easy it is to be converted.

MR. CHAIRMAN (Aylward): Order, please!
The hon. gentleman's time has elapsed.

MR. ROBERTS: May I have another moment or so?
I mean, I am enjoying this even more than the gentlemen opposite.

MR. CHAIRMAN: By leave?

SOME HON. MEMBERS: No. No.

MR. CHAIRMAN: No, leave is not granted.

MR. ROBERTS: Oh, all right. Thank you, Mr. Chairman. There will be another time. Come on, 'Garfield,' have at them.

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

MR. WARREN: Mr. Chairman, I am forced to enter into this debate. Just listening a few moments ago, Mr. Chairman, the comments that the hon. Minister of Finance (Dr. Collins) made concerning Mr. Montgomery, I think, as the hon. member for the Strait of Belle Isle (Mr. Roberts) said, it was in poor taste. You know, when the hon. Minister of Finance brought down his budget on Thursday, I would like to go on record as saying that not only did the Minister of Finance act in a most criminal manner when he brought down that budget,

MR. WARREN: but the Minister of Health (Mr. House), who is supposed to be looking after the health and welfare of the people of this Province, the sick people, had the audacity to agree with the rest of the Cabinet to have another 500 or 600 people laid off in the hospitals, with patients having to wait, not only like last year when they would have to wait as long as a month or two months in order to get in for hospital services, but now, according to some doctors, they will have to wait as long as three or four months, and the Minister of Health, in his capacity as minister, is acting in all regards, Mr. Chairman, as a criminal. A criminal, because he is putting the people -

MR. TOBIN: What is your definition of a criminal?

MR. WARREN: Mr. Chairman, a definition of a criminal in my terminology is a minister who would not allow sick people the opportunity of going to hospital and getting necessary doctor care. A person who acts in that regard is a criminal in my estimation. And, Mr. Chairman, that is the attitude throughout Newfoundland and Labrador, that the Minister of Health is acting in an insane manner. Mr. Chairman, it is surprising that Al Capone in his time was a criminal, but one thing for sure he did not attack sick people, and this is what the Minister of Health has done through this budget that the minister announced on Thursday. The sick people in this Province have been attacked physically because now they just cannot get into hospitals and get the services that are required.

To just give you an illustration in point, Mr. Chairman, it was only this morning I was down at the Janeway Hospital. Because of so many people being laid off and because of a lack of co-ordination, there was

March 21, 1983

Tape No. 467

JV - 2

MR. WARREN: a little girl down there - just
to give the minister an example - there was a little girl who
came in from around the Bay, in fact

MR. WARREN: I think she was from the hon. member for Burin-Placentia West's (Mr. Tobin) district. She was told by one doctor that she had an appointment this morning at eleven o'clock to visit a doctor down at the Janeway. She came in and she was told there was no appointment made there for her and she was told the doctor was out of town.

MR. TOBIN: From my district?

MR. WARREN: I am not going to say where she was from. I said probably she was from your district. I am just saying this little girl was told to go to the Janeway and one of the staff down there said they did not know whether they were going to be here today or gone tomorrow. The way the government is acting and the way they are laying off people they just cannot provide proper services.

Now, Mr. Chairman, let us look at the North West River hospital for a second. It is a good thing the minister was not down there with the Minister of Rural Development (Mr. Goudie) on Saturday, when he was approached by 80 per cent of the population of North West River and the minister could not even tell the people why the hospital is being closed. Neither can the Minister of Health (Mr. House). And not only that, but the Cabinet was more interested in building an Arts and Culture Centre than looking after the sick people in this Province. There are three things that this government is interested in; the Arts and Culture Centres, jails and getting rid of the sick. 'If the people are sick let them die'.

MR. OTTENHEIMER: The hon. gentleman was supportive of having a correctional center.

MR. WARREN: I am still in support of a correctional center but not if it means leaving the sick people to die, which this government intends to do. Not to close down hospitals over jails, Mr. Chairman.

MR. BRETT: Are you against the new hospital in Clarendville?

MR. WARREN: No, I would like to advise the hon. gentleman for Trinity North (Mr. Brett) that I am not against the new hospital in Clarendville. But I am against the hospital closing in North West River. Is the hon. member for Trinity North against the hospital closing in North West River?

MR. BRETT: Yes.

MR. WARREN: Sure he is against it. So therefore, Mr. Chairman, I hope the Minister of Health (Mr. House) can get on his feet again today and try to do a little better job than he has done in the last three or four days, and last year, defending the Department of Health and closing hospital beds and laying off staff.

MR. BAIRD: Did your mother have any children who lived?

MR. WARREN: I beg your pardon?

MR. BAIRD: Did your mother have any children who lived?

MR. CALLAN: Did she throw away the baby and keep the afterbirth in your case?

MR. CHAIRMAN (AYLWARD): Order, please!

MR. WARREN: Mr. Chairman, this budget that the minister brought down on Thursday will be the downfall of this administration. It will be the downfall of this administration, Mr. Chairman. And, Mr. Chairman, it is only now people are beginning to realize how serious this is. Last year only some people were saying, 'Well, the hospitals are not affected that much'. But it is only really now that it is beginning to hit.

MR. HOUSE: You are sick.

MR. WARREN: It is sick, yes. It is like the hon. minister says, it is sick. And that is why the minister is so obsessed with himself that he thinks that no one is supposed to be sick, Mr. Chairman. This government has made a path to destruction, a destruction caused by ministers of the Cabinet. Whatever the Premier says and whatever the President of the Council (Mr. Marshall) says is it. Those two guys call the shots.

MR. BAIRD: The good guys.

MR. WARREN: The good guys, yes, the good guys. It is like the Premier said on On Camera, 'Ask me mother'. Now that is a good guy. Mr. Chairman, I believe that this government should look more carefully at the average, ordinary person in this Province, the person who needs hospital care. The minister is going to get on his feet very shortly and he is going to say that everyone in this Province who needs hospital care gets it. If he does say that I am going to get up and call him a liar because he definitely would be if he does say that.

MR. CHAIRMAN (AYLWARD): Order, please!
The hon. member's time
has elapsed.

MR. WARREN: Oh, too bad!

MR. CHAIRMAN: The hon. Minister of Health.

MR. HOUSE: Mr. Chairman, I want to respond to some of these body blows. I do take some exception to the remarks made at the beginning, you know, talking about criminal, this kind of thing. I think the hon. member should look up or use his dictionary and perhaps be a little more polite about some of the words he is using in this particular honourable House.

MR. WARREN: Medically criminal.

MR. HOUSE: Of course I cannot be medically criminal because I am not a medical person.

Now, Mr. Chairman, if, as the hon. gentleman is saying, that what I am doing is criminal, he should look back at the record and the people should look at the record of this particular government. It is this government that has doubled the health budget in the last five years.

SOME HON. MEMBERS: Hear, hear!

MR. HOUSE: That does not sound to be very

MR. HOUSE: criminal, doubling the health budget. The consumer price index has gone up I believe in ten years 245 per cent. The health budget has gone up 518 per cent. Mr. Chairman, the time the biggest percentage of the budget ever was spent on health care is today. The biggest percentage of the budget to hospitals in any time in our history is today. It is 24 per cent of this particular budget. Five years ago it was only 17 per cent. So the hon. gentleman just has to look at his facts. Right now the hospitals in this particular year, in this budget, are getting \$34 million more than they got last year; \$34 million, a 12 per cent increase.

Let me tell you one other thing, Mr. Chairman. All of our health programmes have been predicated on a five year programme with Ottawa entered into in 1977. They used to give 20 per cent some years. What did they give this year? 7.7 per cent, I believe, is the figure they gave. Now if I had given 7.7 per cent in our budget we would have been in a heck of a lot worse state than we are. We are responsible, but, Mr. Chairman, there is a responsibility from that group up along that you fellows over there get up and defend day after day. And if they gave nothing you would defend them.

MR. DAWE: They have it down to 5 per cent for next year.

MR. HOUSE: Yes, that is right. They have announced a 5 per cent increase for next year.

So, Mr. Chairman, this is the government that is doing the bad thing, \$34 million. The other thing, Mr. Chairman, 12 per cent

MR. HOUSE: when there has been a -

MR. WARREN: (Inaudible).

MR. HOUSE: Mr. Chairman, I sat quietly and listened to his diatribe when he was speaking. I would like for him to listen to me for a little while.

MR. CHAIRMAN (AYLWARD): Order, please!

MR. HOUSE: We are giving 12 per cent when the growth in our Province has been only 8 per cent.

Now, Mr. Chairman, I saw an editorial this morning in The Daily News, that particular paper, "Deadly serious", to which I do take a lot of exception. And I am saying to the people of the Province that there is going to be no reduction in critical care. We are going to see to that and we are going to indicate that there may be some indications otherwise but not in critical or emergent care.

MR. NEARY: How do you know that?

MR. HOUSE: Because we are going to monitor and ensure that it is. And that is the responsibility of the hospitals, to ensure that that does not happen.

MR. NEARY: When you have started off a chain reaction, how do you know where it is going to end?

MR. HOUSE: Mr. Chairman, we have given them the biggest increase in any part of the budget this year, and I keep telling the hon. members that the budget has doubled in five years. I want the hon. Leader of the Opposition (Mr. Neary) to just look at the legacy of this government and compare it with what he was part of back about ten years ago. There is no comparison, Mr. Chairman.

MR. NEARY: Who built all the hospitals in Newfoundland?

MR. HOUSE: Who put all the hospitals in Newfoundland, Mr. Chairman? Most of the hospitals have been put here and financed in the last ten years.

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

MR. HOUSE: And we are carrying on with the programme.

MR. NEARY: What about the ones you closed down?

MR. HOUSE: Carbonear and the Health Sciences have been built and put into effect, Mr. Chairman, since we have been here.

MR. HOUSE: Now I am going to also respond on the North West River one, Mr. Chairman, let me talk about the North West River Hospital. The North West River Hospital is exactly thirty minutes drive on paved road from the hospital in Goose Bay. It is thirty minutes away. The hospital in North West River has had a 40 per cent occupancy.

MR. WARREN: Not true.

MR. HOUSE: Mr. Chairman, the figures are there. The patient days have gone down considerably, cut in half in the last few years; there are only about sixteen or seventeen out-patients per day; the hospital is a very old, obsolete building. As a matter of fact, right now, to keep that open, we will have to spend about \$500,000 on it to meet the fire marshall's recommendations. We do not think it is a good health care delivery building and the programme is not essential to health care delivery in that particular area. We are going to be able to do better for health care by adding to the hospital on the base, the Melville Hospital.

There was a couple of more items. There was news, of course, that we did not have any ambulance service there; that is going to be looked after, the ambulance service. And I say, Mr. Chairman, that if I can have everybody in the Province within thirty minutes of a secondary hospital facility, I will not have much to worry about.

MR. WARREN: The people in Davis Inlet and Cartwright do not go for it.

MR. HOUSE: Mr. Chairman, the people in Cartwright are closer to Goose Bay hospital than they are to North West River.

MR. WARREN:

Not true! Not true!

MR. HOUSE:

On the coast, they are closer. They are flown in, Mr. Chairman, right in to either the River in the Summer or the base in the Winter.

MR. WARREN:

North West River is twenty miles closer to Cartwright.

MR. HOUSE:

Do not be talking such nonsense. Mr. Chairman, it is just as close to go to Goose Bay.

Now, let us look at the other one. There are about seven chronic care people, I think, who are being looked after in the institution, and the argument being used is to keep it open for them.

Mr. Chairman, keeping a fifty-one bed acute care hospital open for seven or eight chronic care people is nonsense. It is nonsense for us to have to do that. We will look after the chronic care people in a better facility than they have now in North West River. So, Mr. Chairman, what I am saying is that the hospitals are being looked after very well. No hospital yet has received their budget, by the way, and if I can defend everything else as easy as I can defend closing North West River Hospital, then I will have an easy time defending it.

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

MR. NEARY: Mr. Chairman, the hon. gentleman who just took his seat, his name will go into the history books as the minister who presided over the death of the health care services in this Province.

MR. WARREN: And hundreds and thousands of people.

MR. NEARY: Mr. Chairman, the next thing we will hear from the hon. gentleman now, and we should hear it shortly - he is picking them off one at a time; he has got a notch in his belt on Markland and he is now cutting another notch in his belt on North West River - the next to go will be Buchans, I will predict right now. And the hon. gentleman has not got the courage to stand in this House and tell us that Buchans will not be closed. And then Botwood is probably on his hit list; Come By Chance and Placentia are probably on the hon. gentleman's hit list.

MR. TOBIN: Port aux Basques.

MR. NEARY: No, Port aux Basques is going to open. We are going to open a hospital out there because they have a good member in LaPoile district, a good member, fought hard, fought tooth and nail to improve medical health services out there and get a new hospital. A great feather in my cap. That is the second one now, one on Bell Island and one in Port aux Basques. That is two to my credit, Mr. Chairman. But the hon. gentleman has Placentia on his hit list no doubt. He got rid of Old Perlican. He got rid of Markland. Now he is getting rid of North West River.

DR. COLLINS: You want to hold onto
obsolete institutions?

MR. REID: Old Perlican is still
there.

MR. NEARY: Old Perlican is gone,
turned into a chronic care center.

MR. WARREN: By the way, the member
for Trinity-Bay de Verde (Mr. Reid) has spoken little since
the session started.

MR. NEARY: We will hear from him
shortly. But, Mr. Chairman, if the minister can get
away with North West River, and from what he just said
obviously he is going to stick by his decision, he
is going to ignore the fact that the Premier (Mr.
Peckford) was up in Ottawa last week attending a
conference on aboriginal rights. And the Premier of
this Province stated publically on television that
he was going to protect the native interests in this
Province. Mr. Chairman, the member for Naskaupi (Mr.
Goudie) knows full well that there are an awful lot
of residents in Northern Labrador and

MR. NEARY: in North West River and in that area who would prefer to stay in their own environment, who would prefer to be in that institution in North West River than to -

MR. WARREN: And all the coastal area people who go up there.

MR. NEARY: That is right and all the people from the coast who come down there, Mr. Chairman. So I would think that the Premier (Mr. Peckford) was being awfully hypocritical in his statements that he made on television the other day from Ottawa, that they were interested in the native rights in this Province.

Now, Mr. Chairman, the people down there are going to fight hard to try to save that hospital. I understand there was a minister down there to a public meeting on Saturday past, down in North West River. There was a minister of the Crown there and he could not defend the decision of the administration to close down the hospital in North West River. But we will be dealing with the statements made by the hon. gentleman in due course. We will be looking for sworn testimony and affidavits as to what happened at that public meeting in North West River.

MR. BAIRD: You asked for affidavits?

MR. NEARY: Yes, we have asked for affidavits which we will probably get from people who were in attendance at that meeting who were not very pleased with the wishy washy way that their representative is dealing with that matter.

MR. WARREN: Well, he said he could not do anything because he is in the Cabinet.

MR. NEARY: He could not do anything because he is in the Cabinet and did not know it was

MR. NEARY: going to happen, did not know it was part of the budget that they were going to close down North West River. The hon. gentleman said he did not know that.

MR. GOUDIE: (Inaudible).

MR. NEARY: Well, I will take my seat if the hon. gentleman wants to get up and say that he did know about it. If the hon. gentleman wants to deny saying that he said in North West River that he was not aware that the hospital was going to close in North West River, he was not aware that that was in the budget, I will gladly take my seat and give the hon. gentleman a chance to say it.

MR. CHAIRMAN (AYLWARD): The hon. member for Naskaupi.

SOME HON. MEMBERS: Hear, hear!

MR. GOUDIE: Mr. Chairman, I think the public meeting that the hon. gentleman has just referred to was a public demonstration of about 150 people. That I do not consider to be a meeting in the normal sense of the word. But I met for about two hours after that demonstration with eight or ten members of the Health Care Committee and some other concerned residents of the communities of Sheshatshit and North West River,

MR. GOUDIE: And someone suggested that I told the meeting that I did not know the hospital was closing down, is that what the hon. gentleman just suggested? Did I hear him correctly?

MR. NEARY: Excuse me, I allowed the hon. gentleman the floor so let us get it straight. What I said was that the hon. gentleman is alleged to have made a statement that he did not know that the closing of that hospital was included in the budget that was read by the Minister of Finance (Dr. Collins) in this House the other day.

MR. GOUDIE: Mr. Chairman, I do not know what these sworn affidavits are that the hon. gentleman is referring to that are supposed to be forwarded to him. I stated to the meeting that I attended that I was aware over a year ago that there were some thoughts towards possibly phasing down that operation. I also stated that my colleague, the Minister of Health (Mr. House) and I several weeks ago discussed that possibility again. What I was not aware of until fifteen minutes before the speech was made was that North West River was going to be specifically mentioned in the budget. That I did not know.

Now, it is being phased down to a lesser level than it is now, not closed down, being phased down. At least that is what was discussed in that particular meeting. Now if the hon. gentleman is suggesting to me or threatening me with sworn affidavits that I am not telling the truth then I would just caution him to please be very careful about what he is doing because he may find himself with problems as well.

MR. NEARY: Mr. Chairman, I am so happy that I raised this matter because the hon. gentleman

MR. NEARY: just confirmed - he is telling the truth. I mean I am not questioning the hon. gentleman is not telling the truth. But the hon. gentleman should remember what -

MR. GOUDIE: You misled the House is what you did.

MR. NEARY: I beg your pardon?

MR. GOUDIE: You misled the House when you made the statement.

MR. NEARY: I certainly did not.

MR. GOUDIE: Of course you did.

MR. NEARY: Because what the hon. Minister of Finance (Dr. Collins) said earlier this afternoon completely contradicts what the hon. gentleman said. Now somebody is not telling the truth over there. One of two hon. gentlemen is covering up. And I would take the word of the hon. gentleman, I would say that the hon. gentleman -

MR. GOUDIE: Be very careful, 'Steve', be very, very careful. You know what happened last Spring. It just might happen again.

MR. NEARY: I hope the hon. gentleman is not threatening me, Mr. Chairman. If the hon. gentleman would just listen for a minute, I am accepting the hon. gentleman's word.

MR. GOUDIE: You just did not.

MR. NEARY: I certainly did. I said I believe the hon. gentleman is telling the truth. But I am not so sure about his -

MR. GOUDIE: The House closes in one minute, just be very careful what you say.

MR. NEARY: Well, so what, so what. Mr. Chairman, what kind of a threat is that. The House closes in one minute.

MR. GOUDIE: Be very careful.

MR. NEARY: Do not worry, I will be careful, Mr. Chairman.

Mr. Chairman, what I am saying if the hon. gentleman would just listen, is that I think the hon. gentleman is telling the truth but I am doubting the word of his colleague, the Minister of Finance (Dr. Collins).

MR. GOUDIE: Why did you not ask for his word?

MR. NEARY: But I had to get the information from the hon. gentleman before I could come back to his colleague because his colleague said earlier this afternoon that all the ministers were aware of what was in the budget. That is what the hon. gentleman said.

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

Mr. Speaker returned to the Chair.

MR. SPEAKER (RUSSELL): The hon. member for Kilbride.

MR. AYLWARD: Mr. Speaker, the Committee of Supply has considered the matters to them referred and has directed me to report some progress and ask leave to sit again.

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

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

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

On motion, the House at its rising adjourned until tomorrow, Tuesday at 3:00 p.m.

Index

Answers to questions

tabled

March 21, 1983

21 Dec. '83

ANSWER to QUESTION #28 appearing on Order Paper, March 17th, 1983, by the Honourable Leader of the Opposition to the Honourable the Premier.

QUESTION:

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

Any private or public representations that have been made to the Government requesting that decisions of the Public Utilities Commission in the past two years to increase rates for the Newfoundland Light & Power Company be vetoed.

ANSWER:

Since Newfoundland Light & Power is a fully regulated utility, the Cabinet has no power to veto any increases approved by the Public Utilities Board.

Any individual can appeal the Board's decision to the appropriate Court - that avenue is open to the Leader of the Opposition as it is to any citizen of the Province.

21 Jan '83

ANSWER to QUESTION #33 appearing on Order Paper,
March 17th, 1983, by the Honourable Leader of the
Opposition to the Honourable Premier.

QUESTION:

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

The titles of the members of the Premier's
staff and their salaries and their responsibilities.

ANSWER:

The title and salary of those working in the
Premier's Office is outlined in detail on Pages 9 & 10
of the Departmental Salary Details tabled with the
Budget in the House of Assembly on Thursday, March 17th,
1983 and is therefore public knowledge. This informa-
tion is available to any member of the public who wishes
it.

21 March, 1983

ANSWER to QUESTION #11 appearing on Order Paper,
March 10th, 1983 by the Honourable Leader of the
Opposition to the Honourable the Premier.

QUESTION:

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

Details of the cost of the four-page advertise-
ment the Province had placed in the local news-
papers for October 23rd, 1982, concerning
Newfoundland's offshore dispute with Ottawa.

ANSWER:

The Government has a duty and a responsibility
to ensure that the public is properly informed on issues
of major public importance. The Offshore Question is one
that will affect future generations in this Province,
therefore, the Government must ensure that the public
is provided with the most up-to-date information possible,
from time to time.

The advertisement referred to appeared in 19 daily
and weekly newspapers in the Province for a total cost of
\$12,555.67.

ANSWER TO QUESTION #1 ON THE ORDER PAPER OF
MARCH 8TH, 1983, ASKED BY THE HONOURABLE
LEADER OF THE OPPOSITION

- (a) The total provincial share of the estimated cost of the budget of the Royal Commission on the Ocean Ranger is \$6,432,000.00;
- (b) The breakdown of the budget is as follows:-
82/83 - \$2,977,000.00
83-84 - \$1,978,000.00
84-85 - \$1,477,000.00
- (c) The 3 Commissioners appointed by the Provincial Government are paid according to the following formula:-
Vice-Chairman - either \$55,000 per annum OR \$650.00 per sitting day;
The 2 other Commissioners - either \$50,000 per annum or \$650.00 per sitting day. Each Commissioner is required to elect one or the other of these forms of payment;
- (d) The Province has not appointed any law firm to the Royal Commission. Any legal representation to be made by the Provincial Government will be undertaken by solicitors of the Department of Justice. Mr. Leonard Martin, Q.C., and Mr. David Orsborne have been appointed solicitors to the Commission by the Federal Government. The rate of pay negotiated with them by the Federal Government is as follows:-
Mr. Leonard Martin, Q.C. - \$125 per hour, not to exceed \$1,250 per day;
Mr. David Orsborne - - \$90 per hour, not to exceed \$900 per day.