

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
3:00 p.m. - 6:00 p.m.
THURSDAY, NOVEMBER 24, 1983

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (RUSSELL):

Order, please!

Before we begin, it is a distinct pleasure for me to welcome to the Speaker's gallery today His Excellency Edward G. Latter, MBE, ED, the High Commissioner to Canada from New Zealand.

SOME HON. MEMBERS:

Hear, hear!

ORAL QUESTIONS

MR. SPEAKER:

The hon. Leader of the Opposition.

MR. NEARY:

Mr. Speaker, it is a little warmer in New Zealand than it is here at the moment, I guess. I hope and trust our visitor will have a pleasant stay in the Province.

I have a question or two that I wish to direct them to the Premier about the Bowater situation. Could the hon. gentleman tell the House -

PREMIER PECKFORD:

Would you not like to do the fisheries first?

MR. NEARY:

Pardon?

MR. PECKFORD:

Do you not want to do the fisheries first?

MR. NEARY:

Do you have a Ministerial Statement?

MR. PECKFORD:

No. I asked would you like to do the fisheries first.

MR. NEARY:

Mr. Speaker, we will decide the priority of the questions. I gave the hon. gentleman an opportunity yesterday to answer these questions and the hon. gentleman seemed to be very ill informed, Mr. Speaker, about these matters.

MR. WINDSOR:

You do not want to know.

MR. NEARY:

I do want to know and I wanted to know yesterday. The matter is urgent, but the hon. gentleman does not seem to be on top of things. He is a nice

MR. NEARY: fellow, he means well,
but he just cannot cope with the job, Mr. Speaker.

Mr. Speaker, the Bowater situation. Could the hon. gentleman inform the House on the latest developments in connection with his visit to Ottawa last week that he mentioned in the House the other day? What transpired at these meetings, what proposals were put on the table by the hon. gentleman or the Government of Canada in connection with the Bowater situation?

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

PREMIER PECKFORD: Mr. Speaker, I cannot provide very much specific information to the Leader of the Opposition (Mr. Neary) at this point in time. All I can do is indicate to the House and the hon. gentleman that we are continuing on all fronts on the Bowater situation. We are in constant contact with the Bowater people, we are having ongoing discussions with the federal government as it relates to Bowater, and that it is a lively and ongoing matter and almost hourly there are talks on the go about the Bowater situation with various people involved, the various groups involved, that is Bowater themselves and the federal government and the advisory group in Corner Brook,

PREMIER PECKFORD: so that is where it stands right now. The statement that I made some time ago in Corner Brook relative to Bowater still stands. There are obviously, as I said in that statement, talks proceeding with various interested parties, or parties that are interested in the Corner Brook mill and operation, and those talks are continuing between Bowater and those groups, and we are continuing to keep the local people advised completely on the situation, and we are in the midst of further negotiations with the federal government relevant to that matter as well, and relevant to what we said about the federal/provincial co-operation and involvement in the final outcome, hopefully successful, for a viable operation in Corner Brook down the road. So things are moving along and there are innumerable meetings every day, and correspondence and phone calls and things going on to try to put the Corner Brook situation on a permanent, long-term, viable basis. The situation is extremely sensitive. As I say, these matters are in hand and we are in the process of trying to resolve all the matters that are involved in making it a successful operation.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: I assume from the hon. gentleman's answer that Bowater is still refusing to give the Premier or the administration the name of the phantom company that they are dealing with, Mr. Speaker. So in view of that fact, that the hon. gentleman does not know the name of the company that Bowater is dealing with, would the hon. gentleman inform the House what contingency plans the administration have in the event that negotiations with this phantom company fizzle out?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I just reviewed with the Cabinet this morning, all morning up until half past one or twenty to two, whatever it was, the full situation as it relates to Bowater and Corner Brook, and various ministries and ministers are involved in examining all the alternatives as it relates to Corner Brook contingency plans, everything, a full, mapped-out strategy for all kinds of likely eventualities or probabilities are being examined and studied and discussed and talked about. I would not, at this point in time, want to get into it in any more detail, only to assure the hon. member that we are familiar with the various likelihoods and we are going to ensure that all measures are taken to protect the people of Corner Brook and the people of Newfoundland and everything in all the likely eventualities that could occur. So I think it is fair to

PREMIER PECKFORD: say that the Cabinet Committee has been working on it, and myself, and the various working groups within government have been identified to spend most of their time on this matter. Everything is fully up to date and, you know, all these likely eventualities that the Leader of the Opposition (Mr. Neary) referred to are under study and actions and initiatives are being taken to protect ourselves in all eventualities.

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

MR. NEARY: Mr. Speaker, has the hon. gentleman given any thought to Newfoundland Hydro the Province's Crown Corporation, taking over that power plant at Deer Lake in the event that it is necessary to do so?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: That would be a very dangerous thing to do, Mr. Speaker. The power plant is an integral part of the complex in Bowater. In order to make the Bowater mill an ongoing, viable operation, it needs to have access to the power at that power plant.

In recent days we have communicated to the advisory committee, the local committee in Corner Brook, that the Government of Newfoundland will do nothing to impair the chances of the Corner Brook mill being a viable operation in the future, and in that regard the power plant at Deer Lake will be used always as an integral part of the Corner Brook mill operation. If the Government of Newfoundland, or anybody else, tried to access or do something different with the Deer Lake power plant than is presently being done, which is to supply power to the Corner Brook mill, then you would be taking out the positive component in the Corner Brook operation and making it very,

PREMIER PECKFORD: very difficult for the Corner Brook operation ever to have a chance under any new management or any new owner. So the Deer Lake power plant remains a total and absolute part of the Corner Brook mill operation and must remain that way, and we have given assurances in writing to the people of Corner Brook that nothing will be done to take that power plant away from the Corner Brook operations. Everything will be done to keep it and it will be always a part of the Corner Brook operations, because without it there is not then the good likelihood of being able to put together a proposal which can make the Corner Brook operation viable.

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

MR. NEARY: I see the hon. gentleman was not listening to what I said again. I said in the event that it is necessary to do so. We hope it will never become necessary, but in the event that it does become necessary, would the hon. gentleman tell us if a feasibility study has been done, Mr. Speaker, on that plant to determine whether Newfoundland Hydro would take it over in the event that it is necessary to do so? But the hon. gentleman did not listen to that part of my question. Now, Mr. Speaker, the hon. gentleman told us in the beginning that Bowater was offered \$38 million to help refurbish the mill, but so far we do not know if Ottawa has put any funding on the table at all.

MR. NEARY: Would the hon. gentleman tell the House, in view of the fact that he does not know the name of the company, Bowater will not tell him who they are dealing with - they will not take the hon. gentleman into their confidence - is that \$38 million still on the table?

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

PREMIER PECKFORD: Well, obviously the Leader of the Opposition (Mr. Neary) has not read the statement that I gave in Corner Brook, so I would direct the Leader of the Opposition's attention to my statement. The information and the answers to his questions are contained in the statement that I made in Corner Brook.

On his earlier question of 'necessary to do so,' it will not be necessary to do so. This administration takes the view that the Corner Brook operation must and will be operated long-term as a viable pulp and paper industry in Corner Brook and therefore -

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: - we will not ever even entertain questions as related to if it is necessary to do so. We are committed completely, totally, absolutely to putting together, with the federal government, with new purchasers, a framework for an ongoing, viable paper operation at Corner Brook, which therefore must contain the Deer Lake power plant.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker.

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

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

I am glad to hear the Premier make that statement, Mr. Speaker, because I was getting the

MR. NEARY: impression, and I believe that this might have arose as a result of his visit to Ottawa last week, that all they were trying to do was to put some money on the table and say, 'There you go, we tried and everything failed. Here we put our money on the table and we have no contingency plans.' So, Mr. Speaker, that is a little bit encouraging anyway.

Could the hon. gentleman tell the House if during the negotiations with the Government of Canada, with Mr. Johnson, the President of Treasury Board, any discussions were held regarding setting up a federal Crown corporation similar to the one in Sidney that took over the Sidney steel mill a few years ago, DEVCO I believe it is, Mr. Speaker? The hon. the Premier was the one who said they are committed. We have to look at all the ifs, ands and buts in this, Mr. Speaker, because we also are committed to keeping that mill in operation. If everything else fails, is the hon. gentleman looking to Ottawa to set up a Crown corporation similar to the one that was established in Sidney to take over the steel plant there? Could the hon. gentleman tell the House if there were any discussion along these lines?

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

PREMIER PECKFORD: Well, as I indicated to the Leader of the Opposition (Mr. Neary) in answer to earlier questions, I am not going to get into the various alternatives. I suggested or indicated to the Leader of the Opposition that all possible avenues are being explored by us and we are attempting to establish, and have done so right from the beginning, a co-operative attitude with the Canadian Government in this matter. It is so, so important for the economy of this Province, not only the economy of the West Coast, Obviously all avenues are being pursued, and I do not wish to

PREMIER PECFORD: comment upon any one particular avenue in any amount of detail now, but everything is being looked at and we are hopeful that a proper framework can be put together for an ongoing, viable operation. May I just suggest to the Leader of the Opposition (Mr. Neary) that Mr. Johnson is not President of Treasury Board in the Government of Canada, he was President of Treasury Board but he is no longer. I think Mr. Herb Gray is President of Treasury Board, Mr. Johnson is Minister of Economic Development and Chairman of the Economic Development Committee of the federal

PREMIER PECKFORD:

government. Besides the suggestion by the Leader of the Opposition (Mr. Neary) brings back some memories of years ago; I was wondering where the Leader of the Opposition was, and the Liberal Government of Newfoundland, when Bell Island closed down. I did not hear any talk about Crown corporations then.

MR. DOYLE:

He was the member at that

time.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Russell):

The hon. Leader of the

Opposition.

MR. NEARY:

Mr. Speaker, we were in

the same place as they are concerning Labrador City and Buchans. And one thing that government did - unlike this government with Ultramar oil refinery - we took possession of the Bell Island mine for \$1. The hon. gentleman cannot even deal with Ultramar in Holyrood.

MR. MARSHALL:

Mr. Speaker, on a point of order.

MR. SPEAKER:

Order, please!

The hon. President of the Council.

MR. MARSHALL:

The hon. gentleman, Mr.

Speaker, is making a speech. He happens to be also defending the indefensible, a long since defunct government, thank God, but he is not allowed, Mr. Speaker, not even for the purposes of that to make a speech during Question Period.

MR. NEARY:

Mr. Speaker, to that point

of order.

MR. SPEAKER:

The hon. Leader of the

Opposition to that point of order.

MR. NEARY:

The hon. gentleman is just

trying to be his usual nasty self, Mr. Speaker. There is no point of order. It is merely a difference of opinion between two members

PREMIER PECKFORD: Do I have a question -

MR. SPEAKER (Russell): The hon. Premier, to that point of order.

PREMIER PECKFORD: - that I am suppose to answer here or was that just comments by the Leader of the Opposition (Mr. Neary).

MR. NEARY: No, there is a point of order.

PREMIER PECKFORD: The point of order is taken care of, I guess, but I am wondering if I have -

MR. NEARY: No, not yet.

MR. SPEAKER (Russell): Order, please!

MR. NEARY: You are not boss of the House and Speaker too, you know.

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

It appears that the Leader of the Opposition was not being too relevant to posing a question. I would ask him to direct the question to the Premier.

MR. NEARY: Mr. Speaker, of course, the answer was completely irrelevant too.

Now, Mr. Speaker, let me change to another area on the government's misery list, Labrador City. Is the hon. Premier aware that on a couple of occasions in recent weeks his Minister of Manpower and Industrial Relations - was invited to go -

MR. SIMMS: There is no such department.

MR. NEARY: Manpower or Labour, whatever it is, Labour and Manpower, whatever it is, was invited -

MR. SIMMS: You are only here 20 years and you do not know the departments yet.

MR. NEARY: The hon. gentleman should go out and play with his monkey suit, play with his silver coins and medallions.

MR. SPEAKER (Russell):

Order, please! Order,

please!

MR. NEARY:

Is the hon. gentleman

aware that the minister was invited to go to Labrador City to meet with the unions down there and he has refused to do so?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, just let me

say, in reference to some earlier comments by the Leader of the Opposition (Mr. Neary), Labrador City is still operating, Buchans is still operating, but Bell Island has been closed down, and he helped close it down, years ago.

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

The Minister for Labour

and Manpower (Mr. Dinn) and I think the Minister responsible for Mines (Mr. Windsor), in the next week or two are going to visit Labrador City on a request from the unions and that down there. They have been talking to the ministers and things are being arranged for a meeting down there with the unions.

MR. SIMMS:

Wrong again.

PREMIER PECKFORD:

Now I do not know where the

Leader of the Opposition is getting all this great information from.

The other question is I think yesterday we received a report from the task force. I think the chairman of the task force issued a statement, I saw it this morning or last night,

PREMIER PECKFORD: indicating that he had submitted to government the task force report, which is now under study. And for the House's information and for the information of the people of the Province, just last week several of the ministers and myself concluded a long series of meetings with the IOC people on the Labrador City situation now and into the future.

We are on top of that situation down there and we are hoping to be able to ensure its long-term viability as well as that of Corner Brook and St. Lawrence and Baie Verte and all the other places that we are being so successful with these days.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, concerning Bell Island, the hon. gentleman has been there two or three years, we have had a Tory administration for eleven years and they have not lifted a finger to help the people of Bell Island. I would like to know how the hon. gentleman can answer that. At least when we were there we kept something moving over there.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: No wonder they are looking for a new member over there, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. NEARY: Mr. Speaker, could the hon. gentleman tell us when the residents of Labrador City - especially those who have been laid off - when they and their families can expect action from the administration? They have undergone now enough suffering and pain as a

MR. NEARY: result of procrastination on the part of the administration. Could the hon. gentleman inform the House when they will get some action on this task force report, when some help will be directed their way?

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

PREMIER PECKFORD: Mr. Speaker, let us make it clear. It was the Leader of the Opposition (Mr. Neary) who closed down Bell Island, closed it down.

MR. DOYLE: That is right.

PREMIER PECKFORD: He was the 'close down' member and then he ran away to Port aux Basques. I mean, that is the story; he closed it down, he did nothing. And the only thing he could do in return was to spend 90 per cent of the building material money for the Province on Bell Island afterwards when he was Minister of Social Services. That is the story of the Leader of the Opposition, that is what he did. What was it, \$240,000 or \$250,000 at that time? I forget the sum. And of that \$240,000, \$220,000 went to Bell Island. I mean, it was just incredible!

SOME HON. MEMBERS: Oh, oh!

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

PREMIER PECKFORD: Mr. Speaker, I wish to answer the question posed by the Leader of the Opposition.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER PECKFORD: I wish to answer the member for Building Materials the question that he asked. The question that the hon. the Leader of the Opposition for Building Materials asked was on Labrador City and the task force report. It was received yesterday, as I told the Leader of the Opposition a few minutes ago, from the chairman of the task force. It is under study by Cabinet.

PREMIER PECKFORD: We wish to - and have done already - publicly thank all the people of Labrador City and Wabush who co-operated so positively in making that report. The people there were very favourably disposed to the group that went to Labrador City - Wabush

PREMIER PECKFORD:

and studied their problems. It is under serious scrutiny and study now by the government and shortly we will be in a position to release the report and to indicate what, if anything, the government intends to do to assist the people of Labrador City as a result of the layoffs that have occurred to date.

SOME HON. MEMBERS:

Hear, hear.

MR. NEARY:

Supplementary, Mr. Speaker.

MR. SPEAKER (Russell):

Supplementary, the hon. Leader of the Opposition.

MR. NEARY:

Mr. Speaker, I wonder if the member for Tiffany Towers, the hon. the Premier, could tell the House what he found out -

SOME HON. MEMBERS:

Oh, oh.

MR. NEARY:

-Heart Break Hotel?- about the fishery restructuring business yesterday that we were asking him about?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Finally the Leader of the Opposition (Mr. Neary), under pressure from the Premier, is going to ask a question on the fisheries. It is too bad that we over here have to stimulate the questions that are going to be asked from the opposite side of the House.

Mr. Speaker, I would just like to clear up - and I thank the Leader of the Opposition for asking the question - the matter of Mr. Kirby's comments yesterday. I think the Leader of the Opposition and myself were concerned yesterday, as everybody in the House was, about that. We have since had an opportunity to talk to Mr. Kirby and to Mr. De Bane, Mr. May, Mr. Mann, Mr. Nickerson and all the people up there. I would just like to clarify the situation for the House and for the people of the Province.

Number one, whether the Nova Scotia agreement goes ahead or does not go ahead will not

PREMIER PECKFORD: affect the agreement between the Province and the federal government.

SOME HON. MEMBERS: Hear, hear.

PREMIER PECKFORD: Number two, what Mr. Kirby said was in relation to Mr. Crouse's amendment. Mr. Crouse, the MP for somewhere in Nova Scotia, the Fisheries critic -

AN HON. MEMBER: A Tory member.

PREMIER PECKFORD: A Tory member, yes - had proposed an amendment to the bill before the House of Commons giving the effect that the federal government would not be able to spend any money, which would prohibit the federal government from spending any money in Nova Scotia. Now there are two companies in Nova Scotia, Nickerson and National Sea, which have a presence in the Province of Newfoundland and, if this amendment went through and was successful, it would prevent our full agreement from being fully implemented because the federal government would not be able to use the money that it has already said it was going to use to alleviate the financial stress now being caused by North Atlantic Fisheries, which is owned by Nickerson and some of the National Sea interests. So the amendment that Mr. Crouse was proposing, if passed or agreed to, which we do not think it will be, would have prohibited the agreement in Newfoundland from being fully implemented because it would have retarded the federal government and stopped the federal government from spending money in Nova Scotia, and that money would have been money going to Nova Scotia to alleviate

PREMIER PECKFORD: the problem in Newfoundland because Nickerson's owns North Atlantic Fisheries and National Sea plants in Newfoundland. That is the situation.

It had nothing to do with the agreement between Nova Scotia and the federal government. Whether that goes or does not go would not impair our agreement going ahead. But what could impair its full implementation is if Mr. Crouse's amendment, which is a silly amendment, is successful. Because it would prohibit or inhibit then the federal government from spending money in Nova Scotia. So he was responding to Crouse's amendment when he made the comments that he made, and we have that fully clarified.

MR. NEARY: The report was inaccurate.

PREMIER PECKFORD: Yes, it was taken out of context in referring to the amendment that Crouse was proposing. So that is the story on it, and thankfully that is the story on it. The Minister of Fisheries (Mr. Morgan) and myself and other people have indicated to the Progressive Conservative Party of Canada that we have absolutely no time for Mr. Crouse's amendment or the other silly amendments that they are trying to put in the way of this, that we are here to protect -

MR. ROBERTS: Hear, hear!

PREMIER PECKFORD: Exactly. We are here to protect the interests of Newfoundland and Labrador, and Newfoundland and Labrador comes first over any political party as far as we are concerned.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: And we have worked hard to try to put in place an agreement which is in our best interest, and we want to see the thing proceeded with posthaste and no more delays so that we can get on to try to put in place something that will help alleviate some of the problems that we have in this Province.

MR. SPEAKER (Russell): The hon. member for the Strait of Belle Isle.

MR. ROBERTS: On a different topic, Mr. Speaker, to the Minister of Justice. But before I do, I am glad the Premier made representations to the Mr. Crouse and the other silly people, not all of whom are in the Tory Party, I am afraid, but we will see how much stroke the Premier has with the Tories in Ottawa. I hope it succeeds.

I would like to ask the Minister of Justice a question of which I have given him some notice, not a lot, but I know enough to enable him to deal with it tersely and succinctly in his usual way. He is, I know, familiar with the situation in the superior courts of the Province where there appears to be a shortage of judges and of courtroom facilities with the result that matters set down for trial are not being dealt with as quickly as would otherwise be the case and certainly not as quickly as is desirable. Can the minister tell us whether the administration contemplate any measures to try to deal with this problem, Sir?

MR. SPEAKER: The hon. Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, the hon. gentleman is no doubt aware there is a vacancy to be filled within the district court system, that being the judicial district of Labrador -

MR. ROBERTS: I suspect that will be filled fairly soon.

MR. OTTENHEIMER: - and Happy Valley-Goose Bay. So certainly it is the hope of the government that that will be filled within the near future.

There have been indications, with respect to the judicial district of Western Newfoundland, or the judicial district in which His

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MR. OTTENHEIMER:

Honour Judge Soper presides in
Corner Brook, that there is a great deal of work for the
district court there and representations

MR. OTTENHEIMER:

have been made to the effect that there would be a need for an additional district court judge in Corner Brook. We have asked for statistical and relevant information from the district court to make an assessment on that. When that material is received and reviewed, then the government expects to be in a position to make a decision but certainly there are indications of the necessity of an additional district court judge there.

MR. ROBERTS:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. member for the Strait of Belle Isle.

MR. ROBERTS:

A supplementary, Sir.

Mr. Speaker, the minister has spoken of the district court, particularly in Corner Brook, the judicial center of Corner Brook, and I assume we will have an answer or an announcement of some sort in the not too far distant future. Perhaps he might be able to put a time frame on that for us if he would? But the other question I would ask is about the other court level in the Province, the Supreme Court, the Trial Division. There is, I believe, on the Order Paper a bill which has been distributed to us to create an extra position in the Trial Division of the Supreme Court, the division headed by Chief Justice Hickman. Can the minister indicate to us whether it is the administration's intention to proceed with that bill? Perhaps I should be addressing this to his colleague, but between the two of them I am sure I will get an answer! The two minds think as one, the two hearts beat as one, Can the minister tell us whether it is the intention to proceed with that bill at this session with a view, presumably, to having it adopted? I assume it will win the support of the House.

MR.SPEAKER (Russell):
Justice.

The hon. Minister of

MR.OTTENHEIMER: Mr.Speaker, no, we do not intend to proceed in this session with this bill, which would be enabling legislation for the appointment of an additional judge to the Trial Division of the Supreme Court of Newfoundland. As hon. members will recall or are aware, for a period of a number of months the Trial Division of the Supreme Court was operating under quite a difficulty due to the fact that the former presiding judge of the Unified Family Court was quite ill and indeed was unable to perform his duties. That gentleman, after having made a very considerable contribution as the first presiding judge of the Unified Family Court, has now, of course, retired, and there has been an appointment to that position, Madam Justice Cameron. Prior to her appointment, Mr. Justice Hunt spent a great deal of his time as presiding judge or just a judge. - he was not the presiding judge - but as the judge of the Unified Family Court. With the appointment of Madam Justice Cameron as presiding judge, Mr. Justice Hunt is now putting his full time into the regular work of the Trial Division. So we do not now intend to proceed with that

MR. OTTENHEIMER:

bill in this Session. Really I think what is necessary now, and what we are in the course of doing, is when we get the statistical and relevant information with respect to the district court of Corner Brook - and I think these things have to go together; obviously they are different branches of the judiciary, but bearing that it is the intention to merge, whether that is a year hence or a year and a half hence, whenever it is then obviously they have to be seen in some context - after we have the data available with respect to Corner Brook, I think then is when a firm decision with respect to both issues will be made. That would be, in my vision, early in the New Year.

MR. SPEAKER (Russell): The time for the Question Period has expired.

NOTICES OF MOTION

MR. ANDREWS: Mr. Speaker.

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

MR. ANDREWS: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill entitled "An Act To Control And Regulate The Distribution And Use Of Pesticides".

MR. OTTENHEIMER: Mr. Speaker.

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

MR. OTTENHEIMER: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill entitled "An Act To Revise The Law Respecting Limited Partnerships".

DR. COLLINS: Mr. Speaker.

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

DR. COLLINS: Mr. Speaker, I give notice that I will on tomorrow move that the House resolve itself into a

DR. COLLINS: Committee of the Whole to consider certain Resolutions relating to the advancing or Guaranteeing of Certain Loans made under The Local Authority Guarantee Act, 1957. (No. 49). This will be Resolution No. 2 in that regard.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

DR. COLLINS: Mr. Speaker.

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

DR. COLLINS: Mr. Speaker, I would like to respond to questions put to me by the hon. the Leader of the Opposition for which I took notice, I think it was the day before yesterday. The questions were, and this is quoting from Hansard: "(1) If the public Treasury has recovered the amounts that were spent on two films of a Tory Convention in Gander in 1968?" And (2), and again this is quoting from Hansard: "Whether or not the money was recovered from the Tory Party in this Province?" Mr. Speaker, this matter arose from a comment in the report of the Auditor General for the financial year ending March 31st, 1979, paragraph 28, which reads as follows; the heading is: "Political Convention expenses charged against public funds," and reads: "Expenditure charged to Subdivision 307.03, Special Action Group, Resource Public Relations Program, comprises mainly payments made to a group of public relations and communications consultants. The audit of these payments disclosed that at least in one instance, the group was paid \$20,885 for services which they identified as relating to the Progressive Conservative Party Convention, which was held in Gander 1978. I hold a differing opinion from those who claim that funds were appropriated by the House of Assembly for such a purpose." End of quotation. That was the Auditor General's quotation.

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DR. COLLINS:

Mr. Speaker, this matter was the subject of a comprehensive review carried out by the Internal Audit Division of the Department of Finance. At the same time, a sum

DR. COLLINS:

of \$64,000 was claimed by McConnell for work done for the government which was held unpaid by the government pending completion of this review. Subsequently, McConnells claimed interest on this unpaid amount which eventually raised their total claim against government to a figure in excess of \$86,000.

The review involved internal audit staff visiting McConnell's offices to examine records to establish that billings by McConnell had been made in accordance with the terms of the contract between McConnell and the government. The review also identified an overpayment to McConnell of some \$5,000 for interest on late paid invoices.

The findings contained in the internal audit review were subsequently referred to the Department of Justice for their advice as to the government's course of action. Following extensive review of the whole case, Justice concluded that it was unlikely a legal claim could be maintained against McConnell for any amount other than the approximate sum of \$20,000 referred to in the Auditor General's report and the interest overpayment of approximately \$5,000 identified by the Department of Finance.

As a result, Justice recommended that negotiations be commenced with McConnell in order to confirm the validity of McConnell's claim for an amount in excess of \$86,000 and to arrange recovery of the sums owed to the Province. Subsequent negotiations carried on between provincial officials and representatives of McConnell over an extended period resulted in a settlement whereby McConnell abandoned all claims for interest and the Province recovered \$28,000 by deducting this amount from the \$64,000 properly claimed by McConnell for the unpaid invoices previously frozen by the government. This resulted in the government agreeing to make a

DR. COLLINS: net payment of \$36,000 to McConnell. This settlement fully compensated the Province for its provable claims and avoided legal costs and further delay in attempting to obtain recovery through court action. The government also received a final release of all claims against it for any and all work performed by McConnell for government under the contract or otherwise.

In summary, Mr. Speaker, the sum of \$20,885 referred to in Paragraph 28 of the Auditor General's report and which was the subject of the hon. Leader of the Opposition's (Mr. Neary) first question, has been recovered from McConnell.

MR. NEARY: No way! Do not be so foolish.

DR. COLLINS: Because this amount has been recovered by deducting it from the total claimed by McConnell the issue of an action against the Progressive Conservative Party does not arise.

MR. NEARY: I am not surprised.

DR. COLLINS: I table this report.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Russell): Orders of the Day.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Newfoundlanders and Labradorians were upset and disappointed on Tuesday that the administration there opposite would not pass a unanimous resolution in this House supporting peace initiatives to halt the arms race. We believe a resolution from this House would reassure citizens of this Province -

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

MR. SPEAKER: The hon. the President of the Council on a point of order.

MR. MARSHALL: Mr. Speaker, there is an order of business and Your Honour has called for Orders of the Day. The hon. gentleman got up and made a speech. Now, there is one other proceeding that can come before Orders of the Day, which is the purpose under the Standing Order for the adjournment of the House to consider a matter of urgent public importance, and if the hon. gentleman is going to do that, he should say so, but he is now allowed to make a speech with respect to it; he defines what the nature of the motion is and then he sits down and there is then a decision as to whether it is to be debated, but he does not debate it first.

MR. ROBERTS: Mr. Speaker, to that point of order.

MR. SPEAKER: The hon. the member for the Strait of Belle Isle, to that point of order.

MR. ROBERTS: I will be very brief. We do not need a lecture from the likes of the gentleman from

MR. ROBERTS: St. John's East (Mr. Marshall)
on the rules of the House, Mr. Speaker. My hon. friend,
the Leader of the Opposition (Mr. Neary) obviously is
going to do that which is proper under the rules of the
House. All he is doing is simply trying to get the words
out of his mouth before he is interrupted by the hon.
gentleman from St. John's East. I would suggest,
Your Honour, that there is no point of order, that my
hon. friend ought to be allowed to finish the sentence
he was in the middle of enunciating when he was interrupted.

MR. SPEAKER (Russell): To that point of order.
I think the point of order is very well taken. The hon.
the President of the Council (Mr. Marshall) is correct,
that Orders of the Day were called. I did recognize the
hon. the Leader of the Opposition but certainly I think
that he should state at the beginning if he is rising on
a point of privilege or under the Standing Order for
emergency debate and I would ask him to do that.

MR. NEARY: I am under Standing Order 23,
Mr. Speaker, for an emergency debate, because we believe
that a resolution from this House would reassure citizens
of our Province that their elected members are aware of
the gravity of the world situation. Therefore, Mr. Speaker,
under Standing Order 23, I move that the regular order of
business of this House be suspended today to debate this
matter and thereby show our people that when something like
the arms race transcends partisan politics, we are prepared
to give it all-party support, both sides of the House.

MR. MARSHALL: Mr. Speaker.

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

MR. MARSHALL: Mr. Speaker, this is a political
manoeuvre by the hon. gentleman.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Russell):

Order, please! Order, please!

MR. MARSHALL:

I refer Your Honour to page 92

of Beauchesne: "'Urgency' within this rule" - which is the same rule that we are considering now - "does not apply to the matter itself, but means 'urgency of debate'".

Now, Mr. Speaker, obviously the matter itself certainly is urgent, it has been urgent for years but, you know, as far as the urgency of debate is concerned, this House, as all-powerful as the hon. gentleman may think he is and omnipotent in all things, but the fact of the matter is that this House has very little influence with respect to any determination of this issue and to the debate and any ultimate resolution of it. So it is not a matter of urgency of debate, Mr. Speaker, it just happens to be

MR. MARSHALL:

another political ploy of the hon. gentleman. And he has a motion on the Order Paper with respect to it, too.

MR. SPEAKER (Russell):

Order, please!

I am sure the motion put forward by the hon. Leader of the Opposition (Mr. Neary) is of great interest to everybody. And certainly if the Chair felt that by having an emergency debate here today there would be instantly world peace, he would be the first to allow an emergency debate. But certainly I do not think it to be an emergency. It might be interesting and an important matter, but certainly I do not think that it warrants it emergency debate.

MR. ROBERTS:

Mr. Speaker.

MR. SPEAKER:

The hon. member for the Strait of Belle Isle.

MR. ROBERTS:

I do not rise to make anything except to ask a very routine question of the President of the Council: Could he indicate what order of business we are to follow today - I do not think he indicated it yesterday - and the order of the bills?

MR. MARSHALL:

Mr. Speaker.

MR. SPEAKER:

The hon. President of the Council.

MR. MARSHALL:

I think I indicated to the Leader of the Opposition, as I indicated I would, before the adjournment. We are today on, and I will be calling it in a moment, the Local School Tax Act, we will go to the other education bills, Order 36, Bill No. 42, the

MR.MARSHALL: amendment to the
Teacher's Training Act, then we will go on to Order 47, 48
and Order 49.

ORDERS OF THE DAY

Motion, second reading
of a bill, "An Act To Amend The Local School Tax Act,"
(Bill No. 6)

The hon. Minister of
Education.

MS VERGE: Mr. Speaker, I am
pleased to move second reading of this bill,"An Act To
Amend The Local School Tax Act. The proposed change is
a simple matter which is important for the improvement
of the administration of school taxation in our Province.
It is a measure that has been requested by the School
Tax Authorities themselves through their provincial
association known as PASTA , to empower courts
when convicting people for failing to pay school tax to
go on to order payment of the arrears of tax as well as
imposing another penalty, fine, or in extreme cases , I
suppose, jail sentence. This will make the local School
Tax Act parallel to the Municipalities Act and the
city's legislation which now have provisions requiring
the courts, upon convicting people of arrears of municipal
taxation, to order payment of the arrears of tax.

MS. VERGE: Mr. Speaker, I do not think there is too much more that I can add to this except to repeat that it is a measure which will improve the administration of local school taxation by boosting the collection rate. The change has been requested by School Tax Authorities themselves who, of course, are the agents of school boards, the purpose of school taxation being to raise revenue at the local level to pay for the operations of schools, and the measure will make the local School Tax Act parallel to the Municipalities Act in this respect.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, any bill that has to do with the School Tax Authority we on this side of the House take a very dim view of it. Because as hon. members know, it is the policy of our Party, the great Liberal Party of Newfoundland and Labrador, it is the policy of this great Party at the earliest possible opportunity, Mr. Speaker, we on this side of the House when we have an opportunity, which may or may not be very far away—we are not certain about that, only the Premier knows that—we will abolish the two school taxes in this Province.

Now, Mr. Speaker, that is simple and to the point and perhaps the Minister of Education (Ms. Verge) who could not understand what I was talking about the other day will understand that message, that the hon. minister can bring in all the amendments to the School Tax Authority Act, I think that is what it is, "An Act To Amend The Local School Tax Act", bring in all the amendments she wants, Mr. Speaker, but we are not going to get very enthusiastic about these amendments on this side of the House because we are against school taxes. The hon. member for Naskaupi (Mr. Goudie) looks at me as much as to say, 'Well, where are you

MR. NEARY: going to get the money?"

That is right, I can almost read his mind. Well, we think that the running of education and the running of schools in this Province should come out of general revenue.

MS. VERGE: Where would we get it?

MR. NEARY: Mr. Speaker, the hon.

Minister of Education (Ms. Verge) wants to know, where would we get it? Now, if the hon. Minister of Education would just tell the Premier to call an election -

MR. HOUSE: That is a Liberal idea.

MR. NEARY: - if the hon. Minister of Education could persuade the Premier to call an election and we were to move over to that side of the House, then we would gladly tell the Minister of Education where we would get it. Mr. Speaker, the School Tax Authority and school taxes have to be abolished.

MR. WARREN: We would not have Royal Commissions to provide \$900,000 for a few jobs.

MR. HOUSE: They were set up by the Liberals.

MR. NEARY: Is the Minister of Health (Mr. House) now going to attempt to come to the rescue of the Minister of Education,

MR. NEARY: when the hon. gentleman cannot even do his own job in Health, Mr. Speaker. The hon. gentleman was just a joke, a laughing stock when he was Minister of Education and now he is the laughing stock of Health. Mr. Speaker, if I was the hon. gentleman I would just sit over there -

MR. HOUSE: Be truthful in the debate and say the Liberals brought in this School Tax Authority. Be truthful.

MR. ANDREWS: He is going to change the Liberal policy now, is he?

MR. SIMMS: Ignore him, 'Steve' boy, and carry on.

MR. NEARY: Yes, I intend to ignore him. Mr. Speaker, we on this side of the House state categorically that the school tax should be abolished in this Province. Now, Mr. Speaker, one of the great controversies started by this administration, they almost started the Third World War, was when they assessed property throughout the Province and extended and expanded the school tax, Mr. Speaker, based on property. That almost started a Third World War and that is still seething beneath the surface, Mr. Speaker. And it is going to be a thorn in the side of that administration for some time to come.

You know, Mr. Speaker, I am highly amused at the Minister of Health (Mr. House). He was a member of the Moores' Administration, now he is a member of a born-again administration who put distance - he was a member of the old administration, the same as the Premier, but now they want to put distance between themselves and Moores. They do not want to be identified, or associated, or affiliated in any way, shape or form with anything that Moores did, they just blot it out of their minds as if that era never existed in this Province. But, Mr. Speaker, they do not mind throwing little dirty digs across the House at us. It has been eleven years since we had a

MR. NEARY: Liberal administration in this Province. Now, I am sure any fair-minded person would agree that if that hon. crowd over there can blot out the Moores' years completely - they are not just saying, "Well, we ignore this thing, or this was wrong or that particular thing was wrong, but they just blot it out as if it never happened at all, it was a bad dream.

MR. SIMMS: Shame on you.

SOME HON. MEMBERS: Oh, oh!

MR. SIMMS: 'Steve', do not be detracted by them, boy, do not be detracted, I am listening to you.

MR. NEARY: Mr. Speaker, as a matter of fact, we almost won the 1975 election on that one issue alone. That was a plank in our platform in 1975.

MR. TOBIN: Were you not an independent then?

MR. NEARY: You know, Mr. Speaker, I have to remind the Chair that ignorance is one thing that this House does not tolerate, Mr. Speaker.

MR. TOBIN: Then how come you are here so long?

MR. SPEAKER (Aylward): Order, please! Order, please!

MR. HOUSE: Mr. Speaker, a point of order.

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

Minister of Health.

MR. HOUSE: To clarify for the House, the hon. gentleman did not have a platform. He was not a Liberal in 1975, he was an independent. He did not know what the Liberal platform was.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please! To that point of order I rule there is no point of order.

The hon. Leader of the Opposition.

MR. NEARY: Members like the hon. gentleman for Burin-Placentia West (Mr. Tobin), the hon. member for St. John's North (Mr. Carter), the hon. Government House Leader, (Mr. Marshall), Mr. Speaker, they are doing more damage to the reputation of this House, and I guarantee you they will not be here very long, their constituents are well aware of it, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Now, Mr. Speaker, one thing I am going to ask the Chair to do because the Premier comes in this House and he wants order, he wants to be heard in silence, well, we want to be heard in silence. We want the same rules to apply to this side of the House that apply to that side, Mr. Speaker. That is all we are asking.

MR. SPEAKER (Aylward): Order, please!

I do remind hon. members that any person speaking in this House does have the right to be heard in silence, and I would ask all hon. members to respect that rule. And I would remind the Leader of the Opposition (Mr. Neary), that we are speaking on the School Tax Authority, The Local School Tax Act, No. 6, and I would ask him to have his remarks directed to this School Tax Act.

The hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, so having said that, that is a part of our philosophy, it is a part of our ideology, and it is one of the major planks in our platform, to abolish the local school taxes, Mr. Speaker.

MR. HOUSE: Who brought in the Act?

MR. NEARY: Could I have silence, Mr. Speaker?

MR. SPEAKER: Order, please!

MR. NEARY: And that will be done, Mr. Speaker, at the earliest possible opportunity.

Mr. Speaker, in the interim, obviously, the administration intend to continue this tax, this regressive tax, the administration obviously are intent on continuing it, so while we are debating this amendment, perhaps I could ask the minister a few questions about it. I would like to ask the minister, for instance, how many tax delinquents have there been in the last year, or in the last couple of years? How much does the non-payment represent of a school board's total annual operating revenues? I hope the minister is making notes there about the delinquency of the tax. The hon. minister, if she does not have the information with her, should be able to send out quickly there and get it - the number of delinquents in the last year or in the last two years, say. And in which areas of the Province are the School Tax Authorities having problems with tax delinquency? In other words, in which part of the Province is the problem more serious? And, Mr. Speaker, I suspect that the answer may be that it is a very serious problem indeed. And if it is a serious problem, it is only because people hate this tax, they despise it, they believe that money for education should come from general revenue. The next thing the administration will be setting up a police -

MR. ROBERTS: That tax is based on your ability to pay, generally speaking.

MR. NEARY: That is right.

MR. ROBERTS: Why do we not have a hospital tax?

MR. NEARY: And a firetax and a police tax -

MR. ROBERTS: - or a roads tax, or a fire tax, yes.

MR. NEARY: Mr. Speaker, that raises an interesting question. So why do we not have a police tax or a fireman's tax or -

MR. ROBERTS: Maybe we should watch this year's Budget.

MR. NEARY: Yes, that is right. Maybe the minister - I do not want to put any bad thoughts in the -

MR. ROBERTS: Or the Premier's apartment tax?

MR. NEARY: That is right.

MR. ROBERTS: There is no limit to the taxes we could have.

MR. NEARY: That is right.

We have an hon. gentleman, the only time in the history of Newfoundland, the first time in the history of Newfoundland provided with a rent-free apartment.

MR. ROBERTS: We have had Premiers who have given their homes to the Province.

MR. NEARY: That is right.

MR. NEARY: We have a previous, previous Premier who donated his home to the Province for one dollar.

MR. PEACH: How much did that home cost?

MR. NEARY: How ever much it cost it belongs to the taxpayers. It was given to the taxpayers for one dollar, a gift to the Newfoundland people for one dollar.

MR. WARREN: It did not cost as much as the upkeep of Mount Scio for the last four or five years.

MR. ROBERTS: Sir Robert Bond did the same thing -

MR. SPEAKER (Aylward): Order, please!

MR. ROBERTS: - and now it is the other way around.

MR. NEARY: So, Mr. Speaker, with all the unemployment problems we have throughout this Province - hon members should not have to be reminded that we have record unemployment in Newfoundland and Labrador - there is a great need for job creation, that we have not heard very much about in this session of the House.

MR. YOUNG: You did not ask any question on it either.

MR. NEARY: We have not asked any questions. They avoid like the plague talking about problems that affect the ordinary people and they force us to talk about things like this, that will mean increased taxes to the people.

MR. ROBERTS: Right! Peace in the world is of no concern.

MR. NEARY: They do not want to talk about peace, or jobs, or Corner Brook, or Labrador City, or Burin, or Bell Island or all these places on their misery list.

MR. DINN: We are looking for the contact down there.

MR. NEARY: They do not want to talk about opening hospital beds to alleviate the pain and suffering of sick people in this Province who are forced to stay in corridors,

MR. NEARY: on cots, while they are waiting for beds. Mr. Speaker, the trouble is that this administration do not care about people.

SOME HON. MEMBERS: That is right.

MR. NEARY: They do not care about people. That is the difference between Liberalism and Toryism. We care about people, they do not care about people.

MR. WARREN: How can you be Progressive Conservative? How can you be.

MR. NEARY: And I would suspect that the delinquency rate is fairly high because of the mismanagement and the incompetence of this administration who have no plans to create jobs or employment for our people. The only thing we have heard in the last two years is one industry after the other closing down, doom and gloom for the last two years, since April 6th, almost two years ago, when they were elected to negotiate an offshore agreement. They do not want to talk about that anymore. They do not want to see or hear tell of it. But all we have heard in the last couple of years is doom and gloom caused by their incompetence and mismanagement. So I would suspect that that delinquency rate for the collection of school taxes is fairly high. That would be my guess, Mr. Speaker. And we all know that the other day I quoted from the Catholic Education Council Report, and I have had a number of discussions with people who are very knowledgeable in educational affairs in this Province, very knowledgeable, more knowledgeable than the minister, who tell me that the level of funding for schools in this Province is inadequate.

MS. VERGE: They are the very people who want school tax increases.

MR. NEARY: No, Mr. Speaker, they are the very people who want education funded from general revenue.

MS. VERGE:

No, they are not.

MR. NEARY:

Oh!

MS. VERGE:

Give us something now.

MR. NEARY:

You know, Mr. Speaker, I

hope that remark was recorded in Hansard because I will take that Hansard and I will send it out to all of these people who are interested in these matters, and very knowledgeable, more knowledgeable than the hon. minister. Mr. Speaker, only the other day we heard about the implementation of Grade XII. And the proposal for Grade XII, by the way, originated from this side of the House. I was the first one in this Province who raised the matter of the expanded high school system.

MR. STAGG: That was after you got your Grade XI, in night school?

MS. VERGE:

Dr. Kitchen announced that

when he was in your party.

MR. NEARY:

Now, if I were the hon. member

for Stephenville (Mr. Stagg) I would try to do something about the rents that the administration is imposing, the excessive increases in rents in the apartments out on the Harmon Corporation in Stephenville. The hon. gentleman should concern himself with that matter, and not be sticking his nose in affairs of other districts.

MR. WARREN:

It has gone up 45 per cent in

the last three years the rent.

MR. NEARY:

The rents have gone up 45

per cent in the last two years on the Harmon Corporation, and we have not heard a peep out of the hon. member, not a peep in this House.

MR. NEARY: in defense of the tenants who are fighting tooth and nail to get these rent increases rolled back. I realize I am straying a little bit, Mr. Speaker, but I will come back to the matter of Grade XII, the inadequate funding. We are told it has placed a tremendous strain on our educational system, that we have overcrowding in classrooms. I heard the other day a story about where the principal called all the children into the laboratory that they are now using for a classroom - they cannot use the laboratory because they have to use it for Grade XII, they have to put the students in there, there is no room in the school - and told them, 'Thanks to your government this is where your classroom is going to be from now on.' And they all cheered, you know, 'thanks to your government.' In other words, they were condemning the government. And that is happening all over St. John's and all over the Province, Mr. Speaker. The hon. minister knows that. The hon. minister gets up with the face of a robber's horse and practically calls these people liars. The hon. minister the other day practically called the report of the Catholic School Council, that I was quoting from, liars.

MS. VERGE: A point of order, Mr. Speaker.

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

MS. VERGE: Apart from the fact that the hon. the Leader of the Opposition (Mr. Neary) has strayed away completely from the subject at hand, which is an amendment to the Local School Tax Act, the hon. member is bordering on falsehood.

MR. NEARY: Mr. Speaker.

MR. SPEAKER: To that point of order, the hon. Leader of the Opposition.

MR. NEARY: I would suggest that that is not a point of order, merely a difference of opinion, Mr. Speaker.

MR. SPEAKER (Aylward): To that point of order, I rule there is a difference of opinion between two hon. members.

The hon. the Leader of the Opposition.

MR. NEARY: But anyway, Mr. Speaker, that is enough about that. These people have gotten the message from the minister as a result of her remarks the other day in the House. As I say, the Catholic Education Council noted in their annual report, that the minister had not even seen or read until I brought it into the House the other day-

MS. VERGE: A point of order, Mr. Speaker.

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

MS. VERGE: I had both seen and read the annual report of the Catholic Education Council, and I appreciated the fact that it was referring to the report of a sub-committee of a committee, with representation from the Denomination Education Committees, on the Schools Act rather than the Department of Education Act, which was the act being debated in the House the other day. The report of a sub-committee of a committee on an amendment to the Schools Act has never reached me or Cabinet. The comments made by the Catholic Education Council have been noted and are appreciated by me. The Leader of the Opposition's (Mr. Neary) continual referral to distorting of these remarks trying to cause a sensation, I am afraid have been quite unsuccessful. I regret that he is wasting our time, the valuable time of all hon. members, by dragging out his futile attempts at manufacturing a controversy and inflaming emotions about the denominational education system, which this government has supported, but which he has, after raising the issue, failed to take a stand on.

SOME HON. MEMBERS:

Hear, hear!

MR. NEARY:

Mr. Speaker.

MR. SPEAKER (Aylward):

To that point of order, the hon. the Leader of the Opposition.

MR. NEARY:

Mr. Speaker, I cannot help it if the Minister of Education (Ms. Verge) is on the defensive with the educational authorities in this Province. I cannot help it if the people who run the education system in this Province have no faith in the minister. I cannot help it, Mr. Speaker.

MR. NEARY: A further indication, by the way, that the minister did not read that report the minister thinks that it only had to do with the revision of the Schools Act. That report was wide-ranging and dealt with a variety of subjects, Mr. Speaker. There is another indication that the minister had not read it. There is no point of order, Mr. Speaker. It is merely a difference of opinion.

MR. SPEAKER (AYLWARD): To that point of order, I rule that the hon. minister took the opportunity to clarify statements that were attributed to her. I rule there is no point of order.

MR. MARSHALL: To a point of order, Mr. Speaker.

MR. SPEAKER: A point of order, the hon. President of the Council.

MR. MARSHALL: Mr. Speaker, I rise on a point of order. The hon. gentleman when he introduced his statement was talking about the government side of the House and the decorum of the House and the way the House operates. Nobody is doing more to disrupt the decorum of the House than the way the hon. gentleman is debating the measures that are before him. He is engaging in a general debate, with respect, as if it were the Throne Speech debate as he does on every single bill.

Now, the rule of relevancy says in the Throne Speech debate there is wide latitude, in the budget debate there is wide latitude for debate. In bills, particularly bills which are amendments of this nature, we are confined to the principle of the bill itself. And the principle of this bill relates to a court conviction of a person who fails to pay school tax. Now that is what the principle of this bill relates to. The hon. gentleman is getting into a wide-ranging debate.

MR. NEARY: He is referring to the hon. member for Stephenville (Mr. Stagg) and rentals out in the Harmon Corporation. He reinstated debate on a bill that was already passed with the hon. Minister of Education (Ms. Verge). And when he does that, Mr. Speaker - now even when he talks to the bill he does not make much sense - but, Mr. Speaker, he is bound to address himself to the principle of the bill, and when he is not doing it he is just taking the House on his back and doing just what he wants. There are rules and regulations which determine the mode and method of debate and I suggest that the hon. Leader of the Opposition (Mr. Neary) be directed to those rules and be required to comply with them.

MR. SPEAKER (AYLWARD): To that point of order, the hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, you realize, of course, the strategy on the part of the hon. gentleman and the Premier (Mr. Peckford) is to attack me personally every opportunity they get. In these slimy, rotten words that the hon. gentleman has a technique of using in this House, they try to undermine the credibility of myself and the Opposition members, hoping the press will pick up their slime and their dirt and the poison they squirt across the House, Mr. Speaker. But it is not working and the hon. gentleman is not going, under the guise of a point of order, to try to undermine the credibility of me or anybody else in this House because the hon. gentleman has no credibility in the Province, Mr. Speaker.

If I did stray, I was only answering questions and interruptions that were flung at me from members there opposite. So if they do not want to hear the answers, Mr. Speaker, what they should do is observe the rules of the House, try to restrain themselves while we are making valid points -

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MR. NEARY: we know they cannot stand criticism - just restrain themselves and let us make our speeches, Mr. Speaker, without interruption in accordance with the rules of the House.

MR. SPEAKER (Aylward): To that point of order,
I rule that there is a point of order. The hon. the Leader of the Opposition (Mr. Neary) was, on occasion, straying from the principle of this bill, Bill No. 6, "An Act To Amend The Local School Tax Act". I would ask him to restrict his remarks to the bill.
I would also remind hon. members once again that the hon. the Leader of the Opposition does have the right to be heard in silence. He has requested that this right be upheld and I would ask all hon. members on both sides of the House to respect it.

The hon. the Leader of the Opposition on Bill No. 6.

MR. NEARY: Thank you, Mr. Speaker.
I put to the hon. minister a couple of questions about the collection of school tax. I wanted to know about how many tax delinquents there are. I hope the minister has that information here at her fingertips and not just get up and take an example from the Government House Leader (Mr. Marshall) and squirt some poison over at us. How many delinquents have there been in the last year or so? How difficult is it to collect school taxes? And how many letters of complaint and petitions of complaint has her colleague, the Minister of Municipal Affairs (Mrs. Newhook) and the Department of Education had in the last year or two about the assessment of property? They are charging the school tax now based on property. How many complaints, Mr. Speaker? It is a very unpopular tax.

MS VERGE: What taxes are popular?

MR. NEARY: Oh! What taxes are popular?
Mr. Speaker, there is the rhetoric. Ask a rhetorical question! What taxes are popular! Certainly it is not

MR. NEARY: popular to collect taxes from the people and pay for an apartment for the Premier. That is not a popular thing to do, when people are suffering so much out there across the Province. And, Mr. Speaker, the School Tax Authority is not collecting enough revenue to provide the level of funding that the schools need. We are told time and time again, both inside this House in reports and we hear it outside the House - I hear it from delegations and people who are very knowledgeable in this matters who come to see me; we have meetings in my office - they tell me that the level of funding for schools is inadequate, grossly inadequate. And I just gave the minister examples of how inadequate it is, that an awful lot of school districts throughout the Province are encountering major problems in providing the essential space, materials, equipment and teachers to implement the new Grade XII programme. And I regret to have to say that, Mr. Speaker. Why do I regret to have to say it? Because I am the father of Grade XII in this Province.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, the record will show - anybody, either inside or outside this House who wants to check the public record will see that I was the first to raise the matter of the expanded school system, Grade XII in this Province. I was the first. Now, if they want to follow along behind me like the Pied Piper, Mr. Speaker, that is fine. It so happens that we am not the administration and if we were we would have implemented Grade XII, but if we did implement it, we would have provided sufficient funding. We would not have created difficulties and headaches for the school districts - we would have provided sufficient funding to implement Grade XII -

MR. NEARY: difficulties that have been brought to our attention by school boards and individual schools. And then we saw the other day in the report that the Catholic Education Council, along with the Pentecostal Education Council which we were told, Mr. Speaker, have made numerous representations to the minister about the inadequate funding. So, as I said in the beginning, Mr. Speaker -

DR. COLLINS: Does anyone have adequate funding?

MR. NEARY: Yes, the Premier has adequate funding, quite adequate. It gives him a free apartment, helicopters, motor cars, private dining room, Mr. Speaker, that is what I call adequate funding. But for the school districts that are struggling with the implementation of Grade XII, they have inadequate funding.

MS. VERGE: Where do you think we could get some more funding?

MR. NEARY: Do you know something, Mr. Speaker? The minister in her simplicity, her naivety, asks the most simple question, 'where would you get it?' You know where we would get it, Mr. Speaker? If we were the government we would show her. We are not the government.

MR. DOYLE: And you are not going to be.

MR. HOUSE: You had a school tax when you were in power.

MR. NEARY: You had a lot of things when you were with Mr. Moores that you will not acknowledge now either. You had a lot of things when you were with Mr. Moores.

MR. SPEAKER (Aylward): Order, please!

MR. NEARY: There goes the interruptions again, Mr. Speaker, that -

MR. BAIRD: What bill are we on? I cannot figure out which one.

MR. NEARY: But anyway, Mr. Speaker, under this act also, if the court convicts a person for failure to pay the tax, it can also order that that person pay the amount of the tax. That is a little bit different than you will find in other statutes in this Province, a little bit different. Usually delinquents pay a fine and that is it. If a court convicts a person for failure to pay his school tax, then it can also make him pay the tax. And I have had a lot of complaints from poor people around this Province, Mr. Speaker, who have been hauled into court by the School Tax Authorities, under the auspices of this administration, and, not only were they fined, but they had to go out and pay the tax. And if they did not pay the tax, they were hauled in again. I am not sure, but I believe down in my files I have a number of examples where they served jail sentences. They could not afford to pay the tax, they were put in jail. Now that is a nice how-do-you-do, Mr. Speaker, in 1983. That is a nice reflection upon the administration that runs the affairs of this Province. Does my hon. friend know of any instances down in his district?

MR. STEWART: We all pay our taxes down there.

MR. NEARY: You all pay your taxes down there?

MR. STEWART: The hon. gentleman is shot down again.

SOME HON. MEMBER: Hear, hear!

MR. MATTHEWS: That was no help at all.

MR. NEARY: No, not a bit.

So, Mr. Speaker, we look forward to the minister's remarks in closing second reading of this bill. We would like to have some information concerning

MR. NEARY: the delinquency, the failure of people to comply with the rules and with the law and to pay these taxes.

MR. BAIRD: Oh, Neary! Stuck for words again.

MR. NEARY: No, I am not stuck for words. I am just reading the explanatory note here. I just made a reference to it in my remarks there but now I am reading it to make sure that I am right. The explanatory note, here is what it says, "This amendment would provide that when a court convicts a person for failure to pay a school tax it shall also order the person to pay the amount of the tax." You will not find that in very many statutes in this Province, Mr. Speaker. The member for Carbonear (Mr. Peach), who rarely speaks in this House, who was very old-womanish yesterday in his remarks -

MR. PEACH: So you did not like the remarks.

MS. VERGE: A point of order.

MR. SPEAKER (Russell): A point of order. The hon. the Minister of Education.

MS. VERGE: Mr. Speaker, I have to take objection to the sexist remark by the Leader of the Opposition (Mr. Neary) referring to old women. I think that is a sexist remark which demeans a large percentage of the population of the Province, some of the finest of our citizenry, who are also among the lowest income recipients and the most vulnerable members of our society -

MR. NEARY: Mr. Speaker, is this a point of order or wasting the time of the House?

MS. VERGE: - who certainly do not deserve to be maligned and insulted by the hon. the Leader of the Opposition.

SOME HON. MEMBERS:

Right on! Right on!

SOME HON. MEMBERS:

Hear, hear!

MR. NEARY:

Mr. Speaker.

MR. SPEAKER (Aylward):

To that point of order.

The hon. Leader of the Opposition.

MR. NEARY:

Mr. Speaker, that is

rather clever, you know. The Minister of Education (Ms Verge) is learning from the Government House Leader (Mr. Marshall), hoping to take something that the boys upstairs will quote, that will make it look like I am against old women. My mother just celebrated her 83rd birthday, by the way, in case the hon. Minister of Education is interested. All I said, and it is a favourite expression in Newfoundland, was the gentleman for Carbonear (Mr. Peach) was old-womanish in his remarks. Now if the hon. minister takes offence to that, I say tough. The hon. minister is in disfavour with the Status of Women groups now that helped to make her what she is, falling rapidly into disfavour with all the various causes that she championed around this Province, Mr. Speaker. And I cannot help that, I mean, I feel sorry for the hon. minister. I would suggest there is no point of order, just a cute little trick on the part of the minister to hope to say something that would not be answered, that would be quoted upstairs, that would make us look in a bad light as far as females in this Province are concerned.

MR. SPEAKER:

Order, please! To

that point of order: Although it was a very interesting point that the hon. minister made, it is not a point of order.

The hon. Leader of the
Opposition.

MR.NEARY: So, Mr. Speaker, I will conclude my few remarks now by asking the hon. minister to provide us with as much information as possible -

MR. ANDREWS: Sit down,old man.

MR.NEARY: Mr. Speaker, I wonder if ignorance can be eliminated in this House?

MR.SPEAKER (Aylward): Order, please!

MR.NEARY: Thank you. I would submit that if members there opposite , Mr. Speaker, want to have a good time,they know they can go down to Feathers somewhere and do it,but not in this hon. House. There are rules that apply to this House. And so, Mr. Speaker, we hope that we will get as much information as possible from the hon. minister. But again I have to restate our position on this side of the House

MR. NEARY: that at the earliest possible opportunity, and that may be when the people get a chance again to go into the polling stations and vote by secret ballot, they mark their Xs, that may be the time, but, Mr. Speaker, whether it is or whether it is not, at the earliest possible opportunity we will abolish school taxes in this Province and see to it that education is adequately funded from general revenue.

MR. SPEAKER (Aylward): If the hon. minister now speaks she will close the debate.

MS. VERGE: Thank you, Mr. Speaker.

MR. SPEAKER: Order, please!

I did not recognize the hon. minister yet. I just made that statement in case there is anyone who wants to speak.

MS. VERGE: Thank you, Mr. Speaker, I will be glad to defer it to the hon. member for Eagle River (Mr. Hiscock).

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

MR. HISCOCK: Thank you, Mr. Speaker and I also thank the minister for allowing me the opportunity to speak in the debate. I was just looking up one of the acts there when I realized that the minister was speaking.

I would just like to speak very briefly on it. My concern is that after our history in this Province we find ourselves still in a situation that with general revenue we find ourselves in need of an extra tax over and above our 12 per cent sales, over and above the tax on cigarettes, over and above the tax on gasoline, over and above the income tax and all other indirect taxes, we still find we cannot give adequate

MR. HISCOCK: money for education in the Province without having an extra tax.

The member for the Strait of Belle Isle (Mr. Roberts) and other members on the Opposition have ended up asking 'Why is it that we do not have extra taxes on other departments?' Of course, we find in the Department of Health if you go to the out-patients, and if you go into a private room you have certain taxes there.

The Minister of Education (Ms. Verge) ended up saying, well, it is fine for the Opposition to say that they would not like this, but what would they do to come up with extra revenue. My question to the Minister of Education would be why did we get out of the co-operative element between the federal government with regard to DREE schools? Why was that discontinued? Why did the provincial and the federal governments get out of the cost-sharing programme of DREE schools? It was my understanding, and I may be wrong and that is why I asked the question, that the Province wanted to opt out of these arrangements. Because many of the school boards were entering into them, let us say, in Burgeo district, represented before by Mr. Jamieson; there are schools here in St. John's, Beaconsfield, I believe, United Junior High and other ones, and it is my understanding that one of the reasons why the Province wanted to get out of these cost-sharing is that the schools themselves are too expensive to maintain after they were built.

But let us look at the system of education in the Province. Periodically we have to have schools replaced because of age, because of fire,

The Fire Commissioner here in St. John's has ended up

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MR. HISCOCK:

saying that there are several
schools in the city area here that should be closed due to
substandard fire safety

MR. HISCOCK:

facilities. If I were a parent I would be rather concerned that children are going to these schools. And I still am very concerned, even though I am not a parent, that we do have children going to these schools that are considered by the Fire Marshall not safe enough. But putting that aside, we find that we have to periodically replace schools, we also find ourselves in a situation, with increased population, of having to build new schools. So what do we do? We end up finding that the school board has to come up with 10 per cent of the cost of the financing. We found out in the district of Eagle River that the Vinland School Board because of financial trouble were taking their library grant, they were taking their sports grant and they were taking their home economics grant and they were taking all the other grants that were given to them to provide the facilities in that school board district to pay for the cost of fuel and heating in those schools along the Labrador Coast and the Northern Peninsula, so much so that they almost did go bankrupt technically. The provincial government ended up bailing them out and the provincial government has now said that they do not necessarily need the 10 per cent financing when enlarging or building schools on the Labrador Coast. And I compliment the minister and this government on that, but it is, of course, what should be done no matter what administration is there. We cannot have an area of our Province not having proper education facilities because of a small tax base of revenue.

The other part on that, we found out that when they build a school, as Ken Meeker pointed out, that there is very little landscaping done. Not only is there no landscaping done, but, to take Mary's Harbour as an example, the new school there was built basically with gravel all around it. They had problems with

MR. HISCOCK: water; they still basically have problems with water. After three years they found out that the only sports equipment they were given was two basketball hoops and a used basketball sent over from the school board office. That was the only sports equipment whatsoever put into that school, and that was a new school. Showers were supposed to be in those schools, but because of the high cost those showers were cut out. But they made sure that there was a clock in each of the classrooms, and if you know anything about diesel electricity and how it is generated, you know that it is not reliable to power clocks. So they have clocks in the classrooms and none of them are operating properly or keeping correct time. Now, that is an example I find where we do have the school tax authority, but even with that we still have to depend very heavily on volunteers in the community. We still have to depend on the Parent Teacher Association very heavily - and I must say that I want to compliment those groups in our Province on the fine job they are doing to supplement the cost of education. Other volunteer groups in the Province are Minor Hockey, Beavers, Girl Guides, Cadets of various sorts - army, air cadets - and the CLB. Many of these organizations raise money to supplement the school curriculum only because the provincial government here finds that it cannot in many ways meet the needs of education. And as a result we find schools that do not have proper library books and do not have the proper home economics facilities. And now, with the implementation of Grade XII there are many, many, many books that have been long overdue. The school semester has started and

MR. HISCOCK: it was almost towards the end of the term before they even got the book, and then they even had to share them. We have examples with regard to computers, examples with regard to typewriters and also industrial art rooms. In the specialized fields of sports, home economics, industrial arts, with regard to typing, with regard to any programme that needs a fair amount of expensive equipment, we find out that the schools in many ways themselves have to raise the money in order to get those things. If they need typewriters, they have to raise the money; if they need home economic things, they have to raise the money. Here we have a piece of legislation that, if you do not pay your tax, you can be arrested and taken to court.

MR. NEARY: You are convicted, and then you have to pay your tax.

MR. HISCOCK: But the reason why that was, of course, is that a person was convicted and sent to jail not because he did not pay the school tax, but because he refused to pay the court costs. So that was the legal part. Now the minister found that they could bring all these delinquent taxpayers to court, they could be ordered to pay the court fine but not necessarily the original tax that they were being brought to court for in the first place. So therefore the minister now ends up changing this. And as I said, you know, it is from the point of view that obviously people are not delinquent in their taxes from the point of view of wanting to be delinquent. I would assume that it has something to do with the economic situation of our Province. I also realize that we do have to pay for our education, we do have to pay for the facilities, but in the meantime there has to be compassion, there has to be understanding. I also know that under this act there can be exemptions. If you

MR. HISCOCK: are a senior citizen, I believe you are exempted; if you are on social services you can be exempted, and I assume then that the Department of Social Services pays. But we also know that there are a good many people in this Province who are on the borderline, who are receiving very, very low wages, receiving very, very low unemployment insurance, and do not qualify for, but in many ways are probably getting less money than if they were on social services.

MR. NEARY: Middle class people are getting less and less all the time.

MR. HISCOCK: So with regard to the other part on it, I find, as I said, a situation that we want to have education in the Province but we basically cannot afford it. We want to have good health system in the Province but we basically cannot afford it. So what do we find?

MR. HISCOCK: We find, with respect to children in the high schools and elementary schools, that school canteen profits from pop, chips, chocolate bars, etc. are being taken - I do not think anyway that schools, whether they be in Nain or in St. John's, should be permitted to sell junk food. I believe it is too readily available. I believe that parents who are in the work force now find it easier to give their children \$2 for lunch and the child buys a couple of bags of chips, a bar, a bottle of Coke or Pepsi, children who, because of poor eating habits, have not had any breakfast in the first place and then go home at night for what is not always the most nutritional meal. And I think that this administration have a responsibility in this respect.

At one time, one could be assured of having milk or cod liver oil in the schools. And as bad as those times were - we think of them negatively - nutrition-wise those times were very, very good. If a health study were done on those students who had the cod liver oil and orange juice made available to them in the schools - I remember getting it in elementary school - and if another study were done on today's students, I would say the studies would indicate more health problems in future because of today's lifestyle and eating habits than in the so-called poor times.

But, as I said, we now want a first-class education and we want first-class facilities but we cannot afford them. We depend on the Parent Teacher Association and on the students themselves to raise money for video machines, projectors, sports equipment, extra books to supplement courses, encyclopedias, and you can go on and on. And I would go as far as to say - and I think the President of the Council (Mr. Marshall)

MR. HISCOCK: are using libraries for classrooms, we are using our science rooms for classrooms. Down in Mary's Harbour they are using the gymnasium. There they have a gymnasium and they have three classes in it. So what use are those facilities? You can go on and on. If they are using the library as classroom space, then the library is not being utilized the way it should be used in the first place. If they are using the gymnasium as classroom space, then the gymnasium is not being utilized the way it should be. And those are the things that the minister has to address. I am sure that the minister will get up and say, "Last year we put \$12 million in, this year we will put \$12 million in, and over and above that we have the cost-sharing arrangements with it." But we have gone on a new expansion of implementing Grade XII. We find out that even with that there is still a lot of people gone to trade school and university this year. And what we find in those situations is that it is not the school tax authority that is the problem, but the post secondary part gets into it by increasing student fees. Allowance, that is a word that this government does not know at all. It was an allowance at one time when the Liberal Administration gave a mothers' allowance to help them with regard to extra expenses come school term. The federal government has also seen the need for that extra expense and ends up implementing the Child Tax Credit. We have also had an allowance when the Smallwood Administration was here in order to realize the greatest resource that we had; it was not the oil, it was not the forestry, it was not the fish, it was not the tourism, or agriculture, but it was our people and then with regard to the opening of this great university that we have and the continuing building on it, we ended up enticing students to come not only to university with regard to grants and loans, but also actually

MR. HISCOCK: gave them an allowance, paid them to go to university. And we now find that the Premier addresses a group of public servants the other day and said, "We need top people in managerial skills." Where would top managerial people come from if we did not lay the foundation in the 1960's under the Smallwood Administration to get the people with their BAs and now move them on to the MAs and some of them are moving on to their Ph.D.s. But this administration now we find are cutting back on the two basic cornerstones of liberalism, that is the right of all to education and the right of all to health. Those are the two things that this government have been whittling away at for the past ten or twelve years, now we find out that there are more students this year applying for Canada Student Loans, there are less people getting grants than ever, and we find out now there is even pressure on the Provincial Department of Health to implement user fees. There is pressure, I am not saying the minister has gone with it, but there is pressure to find extra money. If there was not, with the increase that has been recorded in the hospitals, one would assume that one would not have this pressure.

MR. HISCOCK: So those are the things that I find, Mr. Speaker, with regard to this Act. The old expression is you cannot get blood from a turnip. We now have a piece of legislation that basically goes contradictory to this, saying we can get blood from a turnip; We can take them to court, we can order them to pay the court fine, and after that they can end up having to pay the tax. But as I said, if they do have money in the first place, they are not going to have the good name go into the court system, allow it to go to the hearing and end up finding themselves fined for the cost of implementing it, being taken and also the cost of what they owned the School Tax Authority in the first place.

But I agree with the minister, it is a problem of delinquent taxes, Whether this be the sales tax, whether it be the property tax with councils throughout our Province, whether it be the income tax, whether it be the school tax there are problems with delinquent taxpayers. And with regard to that, society as a whole finds itself having to pay for delinquent taxpayers. But that still does not take away the fact that education in this Province is being underfunded more and more all of the time, that education facilities here in the Province and the quality of education is suffering, and' so is the Department of Health, The Minister of Health (Mr. House) and Minister of Education (Ms. Verge) can get up and say we have given more money than last year— which is true— but even with that it is not necessarily enough. And the answer to that question is a difficult one, where do you get the extra funding? Where do you get the funding to do those things? But surely there are two cornerstones in this Province, good health and the right to good health, and the right also, Mr. Speaker, to

MR. HISCOCK: education.

MR. HOUSE: Mr. Speaker, on a point of order.

MR. SPEAKER (McNicholas): Order, please!

On a point of order, the
hon. Minister of Health.

MR. HOUSE: This is an Education
Bill, why is he referring to health? While I am
up, I want to point out to him that never before have there
been as many people employed in the Health field as we have
now. I think it is erroneous, wrong and misleading for
him to indicate that anything else is true.

MR. HISCOCK: To the point of order,
Mr. Speaker.

MR. SPEAKER: To the point of order, the
hon. member for Eagle River.

MR. HISCOCK: Mr. Speaker, I find that
is not a point of order. Obviously the Opposition has
struck a sorepoint with the Minister of Health (Mr. House)
and irritated him somewhat and he ended up disagreeing
with what I am saying.

MR. SPEAKER (Dr. McNicholas): To that point of order, I rule that there is no point of order, but I would remind the hon. member that he should confine his remarks to the bill being debated.

The hon. the member for Eagle River.

MR. HISCOCK: Thank you, Mr. Speaker.

With regard to the school tax, we find out that we are now going to try to claim the money for the School Tax Authorities, which are not operating properly, which people are disobeying, whether it is done from civil disobedience or whether it is done from the point of view of hard economic situations. We now find ourselves having to revert to the courts to obtain supplementary financing for education. And I would say, Mr. Speaker, this is not the route to go in hard economic times in our Province, to put the screws to our people more and more and take them to court. It is a vicious piece of legislation. It is a piece of legislation that undermines civil liberties. It basically proceeds from the base that people are not going to pay the taxes, so therefore we will make sure that we will have all the loopholes closed so that if we have to take them to court they will have to pay it. So it operates from a negative point of view. It does not realize that the majority of the people in this Province are paying their taxes and are paying all of them, all of them maybe begrudgingly. But to invoke a piece of legislation like this in such hard economic times, does not give our people the sensitivity and compassion that they need.

With regard to the idea that if you are on social welfare and you make a certain amount of money you can be exempt, maybe the minister and this government can look at the fact that if you get a certain income, and you are not on welfare but on unemployment insurance or low

MR. HISCOCK: wages, maybe that could be looked upon as grounds for an exemption. I think if you make less than \$600 a year you can also be exempt. But maybe realistically if you only make something like \$4,000 a year or some such figure - the poverty line, I think for a family of three is \$15,000, and I think the exemption here is only something like \$600 or \$800 - maybe what we are finding is the ones who are having difficulty paying are the very ones who are making something like \$3,000 to \$4,000 a year. Because if you look at it, the taxes that people have to pay are the School Tax Authority, the local improvement tax or council tax and, over and above that, of course, then your income tax and sales tax and whatever. So I have to disagree with this piece of legislation. I do not think it is going to solve the problem of education in our Province.

We find that we have a government that is gradually whittling away at the basis of education for our people. If we are going to prosper as a Province, then surely, Mr. Speaker, I think all members of this House would agree that one of the main things we can do is open up education to all, irregardless of creed, colour, sex and economic income. And we find out

MR. HISCOCK:

now that this has not been the case, that it is becoming more difficult all the time to obtain an education. We are also finding that in the school system it is more difficult all the time for students to become competitive in sports because it is very, very expensive. If they need to go on meets, it is also very, very expensive. If they want to get into hockey, skating, soccer, cross-country skiing, they have to be from a fairly affluent, middle-class family in order to get involved in these sports in the first place. So we are not making these things equally available. The minister would say that they are available to all, but if you are going to go on meets and that then there are extra amounts of money that are needed. I would assume that all members of the House know that there is not a week goes by without donations being requested by schools within their districts coming into the members. And as I said, they have to do this because they find out that they just cannot make ends meet in the schools. So I would say to the Minister of Education, whose budget is the largest, but when you break that down you find out that the \$17 million for busing has nothing to do with library books, has nothing to do with industrial art, the majority of that is in salary and in administration. And in that part we find out now about the situation in our schools - and it is on the Open Line programmes - concerning seat belt legislation to cover buses and overcrowding. A bus can carry seventy-two people and junior-high and high school students find themselves sitting three in a seat with very little room, no room at all to move back and forth. We find out that they have to carry their typewriters aboard with them, we find out that they have to take hockey or sports equipment aboard with them, or

MR. HISCOCK: that the Minister of Education (Ms. Verge) has to take that ^{under} advisement, has to take under consideration that if the regulations say 72 people, that means 72 students, not 72 students plus -

AN HON. MEMBER: All kinds of junk.

MR. HISCOCK: Not all kinds of junk, because it is all kinds of equipment, typewriters and sports equipment and parts that are now, because of Grade XII, extremely important to their curriculum. So I would hope that the minister would have the officials look at this and maybe have it done in such a way that so much equipment has to be considered part of the number of students in the bus and maybe the last two rows be delineated and used for storage of their equipment. But something, Mr. Speaker, has to be done before it is too late, and hopefully the minister will take this under advisement and do it. But as I said, it is a sad day for this Province, it is a sad day for education when we find out that we have to bring in legislation taking people to court in order to pay the school tax. This is not going to look after the quality of education. This is not going to be providing the managerial people that the Premier wants to have. It is not going to provide the number of people that we need, chemical engineers, civil engineers, and doctors that we need for the offshore, it is not going to provide the type of people that we need to operate the mills in our Province, or in the civil service. We need top qualified people.

This administration has always prided itself on being pro-Newfoundland, pro-youth and that, but when it come to implement these things, Mr. Speaker,

MR. HISCOCK: it goes entirely against the grain altogether. High on publicity and propaganda stunts, very, very low on actually delivering.

MR. NEARY: That is right.

MR. HISCOCK: So I would hope, Mr. Speaker, that this legislation is not the beginning of a series of legislation that is going to be brought in by the Minister of Culture, Recreation and Youth (Mr. Simms) and find out that fines is the answer; or the Minister of Fisheries (Mr. Morgan) find out that he has to bring in legislation to force people who default on their Loan Board loans to pay up. Or the Minister of Rural Development's (Mr. Goudie) Department.

I will be concluding on this, if there are departments that should have legislation like this it is the Department of Development and the Department of Rural Development, which give political grants and loans to groups, find out that they default and then end up not being paid back. That is where a lot of our money is going. And if we had a proper use of our money, Mr. Speaker, in our Province the very little that we are getting, if it was used efficiently, then maybe we would not need this, that we would be able to collect taxes.

Thank you, Mr. Speaker.

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

MR. WARREN: Mr. Speaker, with the state of our economy the minister has the gall to bring in a bill to amend the School Tax Authority. Now, Mr. Speaker, you would think the minister would have had the common decency to come in and bring in an amendment to that bill abolishing the school tax, then the minister would be a hero in the Province of Newfoundland and Labrador, but instead, what did she do? God forbid, she is trying to sock it to the people. Mr. Speaker, it is a disgrace! The minister should be ashamed to come in with such an amendment, trying to make further collections for the School Tax Authority, trying to get more money from the people. It is not bad enough that she already this year saw fit to increase the price of school books in the Province, increases of from 40 per cent to 60 per cent, now she is coming in and saying, Look, what about parents we are missing in connection with the school taxes? we should sock it to them.

MR. TOBIN: Who introduced this School Tax Authority?

MR. WARREN: I do not care who introduced it, but I know who wants to get rid of it. And if you want to talk about past administrations, ask who brought in the increase in sales tax, from 7 per cent up to 12 per cent. Who brought in the increase in sales tax?

MR. TOBIN: Who created the sales tax?

MR. NEARY: You have the opportunity to wipe it out over there, you know.

MR. WARREN: Mr. Speaker, this government-

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: You are the government, you can do what you like.

MR. DINN: There was nothing when you were in, we have regulations here now.

MR. NEARY: I see. Okay, everything we brought in, why do you not abolish it? You have been there eleven years.

MR. WARREN: Mr. Speaker, on my way to work this morning I stopped at a particular place and I was talking to a gentleman, say, in his late forties or early fifties, and he knew I was a member of the House of Assembly, and he said, 'One thing always puzzles me, how can you be a Progressive Conservative in the Province of Newfoundland and Labrador?'

MR. NEARY: Contradictory, is it not?

MR. WARREN: He said, 'They are progressive and they are conservative, but they are progressive because they are progressing with every tax that is available to them -

MR. NEARY: That is right.

MR. WARREN: - and they are conservative because they are closing down every hospital. This is where you get Progressive Conservative.' And that gentleman was pretty fair. They are progressing with every tax that they can place on a human being, and closing down any facility that is needed to save a human being's life.

MR. NEARY: Fines and Taxes. That is all they are good at, opening jails, fines, and taxes.

MR. WARREN: So, Mr. Speaker, this government was elected nearly two years ago and rightly so, the people in the Province gave them a resounding victory. At that time, Mr. Speaker, many, many people voted with the belief that we were going to have a smoother -

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

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

MR. NEARY: Mr. Speaker, a stranger just came into the House and delivered a document to the Minister of Justice (Mr. Ottenheimer). Mr. Speaker, I would submit that that is totally against the rules of this House, and that the Minister of Justice apologize for this happening to the House, Mr. Speaker. Mr. Speaker, you have to get elected to get in on the floor of this House and nobody dare enter the corridors or the Chamber to come in on the floor of this House unless you get elected to get here, Mr. Speaker. And an hon. gentleman - not an hon. gentleman - a stranger just walked into the House, casual as you like - just to show you how the House is deteriorating as a result of the arrogance of this administration - walks in to the Minister of Justice, who is not in his seat, passes him in a document and then very casually, nonchalantly walks out. Mr. Speaker, that is not allowed in this House, unless now the government are going to resort - they got forty-four elected over there, now they are going to resort to bringing the officials in to try to take us on. I would submit, Mr. Speaker, that somebody owes the House an apology. It is a valid point of order, Mr. Speaker, and I believe the Minister of Justice should explain and apologize for the actions of one of his officials.

MR. OTTENHEIMER: To that point of order, Mr. Speaker.

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

MR. OTTENHEIMER: Mr. Speaker, I have rarely heard such nonsense. An employee of the Department of Justice put his hand in around the door and handed me a couple of pieces of paper. So it can be said that he should not -

MR. NEARY: Walked in on the floor of the House.

MR. OTTENHEIMER: - have done it and that is agreed, he should not have done it. Are we going to send him to jail, are we going to call him before the Bar of the House, are we going to have the man fired -

MR. WALSH: Drawn and quartered.

MR. OTTENHEIMER: - probably drawn and quartered, tarred and feathered, burnt at the stake? I am not sure, whatever Your Honour thinks is more appropriate. We would have to check with the Fire Commissioner before we burn him at the stake, and we would have to get some tar and feathers before we took that process. Obviously, he is not supposed to be in the House of Assembly. What he did was hand in two sheets of paper, I am sure totally inadvertently, and I do not know that there is much more, really, that can be said about it.

MR. SPEAKER (McNicholas): To that point of order, I rule there is a point of order, he should not have been in the House. But I did not see him, I was referring to my notes.

MR. ANDREWS: And nobody else saw him.

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

MR. SPEAKER: A point of order, the hon. the Leader of the Opposition.

MR. NEARY: Mr. Speaker, we have to rely on the protection of the Chair and the Commissionaires and so forth in this House for our safety and for our security. Now, Mr. Speaker, as a result

MR. NEARY:

of that incident that just took place, and hon. members may think it is funny, but it is the first time in twenty-one years that I have seen that happen in this House. Unless somebody is invited in on the floor, they do not dare come through these doors.

MR. HOUSE:

was in here one time.

I thought Mr. Shaheen

MR. NEARY:

Mr. Speaker, the point that I am making is that the government should be able to control their corridors.

Yes, invited in. But,

MR. ANDREWS:

They also let Mr. Doyle in.

MR. NEARY:

Mr. Speaker, this is not a bit funny. The hon. gentleman should go down to Feathers or down to Friends. He is in the House of Assembly now. If the hon. gentleman wants to have a good time, this is not the place for it. There are other places.

How about the Laurier Club?

MR. STAGG:

MR. NEARY:

Mr. Speaker, the point

is it brings into focus the security of this House, that anybody could come up and walk in through the door, walk into the Chamber and attack a member if he so wished.

MR. ANDREWS:

about it.

You must be worried

MR. NEARY:

about it. If I was the hon. gentleman I would be worried.

Mr. Speaker, it is a very

valid point of order and I would ask the Chair to take a look at the procedure in the corridors. We have on our door out here 'Private', and you are not supposed to come into the corridor unless you are invited, and I believe the same thing applies to the other side. The matter concerning the official of the Department of Justice who walked in on the floor, the minister explained that and I presume that has been resolved. But, Mr. Speaker, we should take steps to see that it does not happen again.

MR. NEARY: I want the assurance of the Chair that while we are sitting in this House strangers will not be wandering in and out, and that we will be secure in our seats in this House. We are entitled to that protection, Mr. Speaker.

MR. SPEAKER (AYLWARD): To that point of order, the hon. President of the Council.

MR. MARSHALL: I would like to say a few words. I think the hon. gentleman is pressing it to death. The hon. Minister of Justice (Mr. Ottenheimer), when he spoke to the point of order pointed out that inadvertently somebody had passed a piece of paper to him. Obviously there are rules in the House that only elected members are allowed to be here, and people like the staff of the House. His Honour ruled on the thing, that there was a point of order. Now, you know, what does the hon. gentleman want? You know, he talks about safety and security and he blows it out of all proportion. Let the punishment fit the crime and let the hon. gentleman not take himself so seriously. Obviously it is a matter that should not have occurred. But, obviously, also it is something that when it occurred was not a flagrant breach and it will not occur again. The hon. gentleman is beating the matter to death.

The real point of order is the type - I do not derogate, it was a valid point of order, but there is another point of order, that that hon. gentleman over there thinks that he can take the House on his back anytime he wants to. The Speaker of this House made a ruling and he said he sustained the point of order. That was not good enough for the hon. gentleman, he had to get up with his histrionics and he wants assurances, he says, from the Chair and from the Speaker that he is going to

MR. MARSHALL: be protected, that nobody is going to come in and beat up the hon. gentleman, and that his safety and security are going to be looked at. I mean, he goes into great flights of fantasy, as he does from time to time.

MR. MARSHALL: He started off proceedings today by saying he was going to bring peace to the world. He got up in the House and he debated a bill for an hour and he had to be called to order in the House for irrelevancy. He gets up on a point of order and he is sustained, and that is not good enough for him either, no, no. The hon. the member for LaPoile (Mr. Neary) is going to run the House, and he is going to take this House on his back, and he is going to determine the way it is run, and he is going to ask Your Honour for assurance that this is not going to happen again and that you are going to protect him, and that he is going to be looked after. He is going to determine everything.

And that is the way the House goes with the hon. the Leader of the Opposition, but it is going to go over the government's dead body. Mr. Speaker, the fact of the matter is he has beaten the subject to death. An incident occurred which should not have occurred, but it is not earth shattering. These things occur from time to time. The Minister of Justice (Mr. Ottenheimer), to all intents and purposes, has gotten up and indicated that, but it is not good enough for the hon. gentleman, he has to define the world, the little world, the way he wants it to be defined. But that is just not the way it is, Mr. Speaker. The hon. gentleman has been out of order himself from the way he is getting on, let there be no doubt about it. First of all, there was a point of order, that the incident should not have occurred, but let the punishment fit the crime and not make mountains out of mole hills.

MR. NEARY: Further to that point of order, Mr. Speaker.

MR. SPEAKER (Aylward): Order, please!

I have heard arguments from both sides on this point of order. I do consider it a serious matter when someone comes into this House who should not be in here. The seriousness of it would depend upon the person who comes in. This matter of a stranger entering the House today was dealt with

MR. SPEAKER(Aylward): by the Speaker who was in the Chair at the time, I will bring it to the attention of the Sergeant-at-Arms and the Speaker's Office will look after it.

MR. NEARY: Thank you, Mr. Speaker. That is all we are asking the Chair to do. We did not need the poison and the arrogance of the hon. gentleman.

MR. SPEAKER: Order, please!

MR. NEARY: You are getting too arrogant and too dictatorial over there, boy. This is not a dictatorship.

MR. SPEAKER: Order, please!

The hon. the member for Torngat Mountains.

MR. WARREN: Mr. Speaker, I will continue to speak on this bill that the Minister of Education(Ms. Verge) saw fit to bring in.

AN HON. MEMBER: Are you leaving?

MR. NEARY: I am going to get my thirty pieces of silver from the Bank of Montreal.

MR. SPEAKER: Order, please!

MR. NEARY: I am going down to the bank with my hands out to get my thirty pieces of silver.

MR. SPEAKER: Order, please!

The hon. the member for Torngat Mountains.

MR. WARREN: This bill on the School Tax Authority that the hon. the Minister of Education saw fit to bring into this House today, as I said earlier, I do not think it is necessary. There are more important issues that could be dealt with, such as the state of our economy. This is not going to help our economy. What is this going to do? This is just going to sock it to more people in this Province. I would suggest to the hon. minister that if the School Tax Authority has to stay, if the school boards have to collect taxes, then I would suggest to the minister that she should get back to the school boards and get the school boards to issue statements and bills and invoices to all Newfoundlanders

MR. WARREN: and Labradorians. Because as the minister realizes, and I believe it is still a fact - do federal employees pay school tax at the present time?

MS. VERGE: Mr. Speaker.

MR. SPEAKER(Aylward): The hon. the Minister of Education.

MS. VERGE: Mr. Speaker, with leave of hon. members I would like to answer the hon. the member for Torngat Mountains' question.

MR. SPEAKER: By leave.

MS. VERGE: Federal government employees and federal Crown corporation and agency employees are indeed liable for school taxation. However, the federal government and federal agencies have refused to co-operate with School Tax Authorities in this Province the same as all other employers have to co-operate, by carrying out payroll deductions and making remittances to the School Tax Authorities, so, effectively, lots of federal government employees, and even some CBC employees, are getting away with breaching the School Tax legislation and failing to pay their school taxes.

MR. SPEAKER (Mr. Aylward): Order, please!

Before we continue-at

5:00 we were involved in a point of order - I have to advise the House now that there are no questions for the Late Show.

MR. WARREN: Mr. Speaker.

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

MR. WARREN: Mr. Speaker, there are no questions for the Late Show. Mr. Speaker, as you can understand, with the answers we get to questions asked today, it is not worthwhile going on to the Late Show.

Mr. Speaker, I think it is a disgrace if we have the School Tax Authority in this Province, which I do not believe we should have here, and there are people working with the federal government, or with CBC, or with Crown corporations who do not pay the school tax. If there is an invoice issued for school tax in this Province, and it is the law of this Province, then everybody should pay it.

Mr. Speaker, sometime ago, I think it was March 24, 1983, the hon. minister said in debate on a school tax bill, and I would like to question her,

MR. WARREN:

As a result of the first part of the exercise the government has established a committee of officials to look at the technical aspects of administering school taxation to try to make the system more efficient, and the committee is due to report in about a month". Now the minister said that on March 24, 1983. I hope when the minister closes debate on this bill, the least she will do will be tell us about this committee of officials, who are checking over the technical aspects, who brought back a report within a month, and tell us what the report contained. Were there any recommendations in the report?

The minister said on March 24, 1983 there was a committee set up. Surely goodness the month must be up by now, and surely goodness she must have a report. And if it is not confidential - it should not be confidential, because it has to do with the school tax, and taxes in this Province are everybody's business.

Mr. Speaker,

in the same address the hon. member for St. Mary's-The Capes (Mr. Hearn) said at the time,

and I quote what the hon. member said, just to show that the school tax authority in his estimation and in many other people's estimation is not working, "I think perhaps the poll tax to which many of them are reverting is the only fair way, but I am not happy at all with the total picture as it relates to the School Tax Authority". Now, there

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MR. WARREN:

is an honourable

member, and I am sure if he were to say what his convictions are
he would say the same as the members on this side,

MR. WARREN:

abolish the school tax. The minister asked, 'Where would we get the revenue?' There is \$900,000 going into a health care study, where we will be paying Mr. Osbourne and Mr. Pynn and a few others \$100,000 or so. There is some of the money we can get. What about all the money we are wasting on the Ocean Ranger inquiry? Look at all the money that is being wasted on that.

SOME HON. MEMBERS:

Oh, oh!

MR. WARREN:

Yes, half of it is a waste of money.

MR. SPEAKER (Aylward):

Order, please! Order, please!

I would remind the hon. member of the rule of relevancy.

MR. WARREN:

No, Mr. Speaker, I do not believe - the minister asked the question, how could we get the money for the School Tax Authority' and I am explaining how we could get the money, Mr. Speaker.

MR. MARSHALL:

How about a per diem? We will have a per diem so that every -

MR. WARREN:

A per diem! Hear, hear!
Yes, why not? Or why not cut out the ministers' salaries? That would be a great help probably.

Furthermore, Mr. Speaker, the minister said that there are more Canada Student Loans being issued now than there have been in the past. I agree with the minister. And I would like, Mr. Speaker, to tell the minister of the frustration -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. WARREN:

Mr. Speaker, I agree with the minister that there are more Canada Student Loans being issued now than there have been in the past, but I believe

MR. WARREN: that the minister should realize that with so many loans being issued and with such a backlog, surely she can acquire more staff or at least make progress faster. I can tell the minister about a young girl from Happy Valley - Goose Bay who has been here taking a nursing course, who has qualified for a student loan - and she has been here since August - and it will be the first week in December before she will be able to get her loan because of the backlog. And it is not the fault of government employees because they are doing the best they can - they have a backlog of from six to eight weeks. I think it is a bit ridiculous to be issuing those loans when we cannot issue them in an efficient manner.

Now, Mr. Speaker, as my hon. colleague said, we do not agree with this bill. We do not agree with the School Tax Authority, so we are going to vote against this bill because we want to see school tax abolished in this Province. I am sure there are ways and means of getting the revenue to keep our schools operating.

MS VERGE: By what means?

MR. WARREN: As I told the minister earlier, this Royal Commission on health care, \$900,000, \$300,000 could have been taken from that to assist the school boards. That is \$300,000.

MR. WARREN: Those Royal Commissions is another place where there is a lot of money wasted unnecessarily. So there are two ways, and like the minister said, and my colleague said, and like the Minister of Fisheries (Mr. Morgan) said, maybe reduce the ministers' salaries. There are all kinds of ways available. Mr. Speaker, this government is concerned with two things: To increase taxes in whatever way possible, and to let the people suffer in any way possible.

Here is another one for the minister. This year the minister, in her good wisdom, I hope, announced the introduction of Grade XII. Now in most places the introduction of Grade XII is working fairly good, but a lot of teachers are upset, they just cannot keep up with the introduction of Grade XII into our system. In fact, a lot of the schools today do not have sufficient books for the students in the schools. And here the minister is bringing in an extra taxation on the parents when there are not even enough school books in the schools for the people who are taking the grade. And the minister must realize that. In St. John's alone there are schools that do not have sufficient school books. The students have to alternate their school books; so many are allowed the school books for two or three days, and the next day they have to pass them along to other students. And that is the way the schools are operating, because this government has such a burden on them they just cannot cope with it.

Mr. Speaker, I would like to conclude by saying that we believe the minister is not showing her sincerity by coming in with this extra burden. If the minister can assure this House that everybody in this Province who is eligible to pay school tax is paying it, then

MR. WARREN: fine and dandy, everybody is treated alike. But there are thousands, literally thousands and thousands of people who should be paying school tax -

MS VERGE: That is what this is going to do.

MR. WARREN: That is not going to do it. You are still not going to get the federal government people, so how is it going to do it? Come all the way, you are only going half way.

MS VERGE: Are you in favour of having federal payroll deductions.

MR. WARREN: Yes, I am. Sure I am. I favour everybody paying, not just one person here and one person there and the other person missed. Everybody pay or nobody pay. This bill is still only going half way. Furthermore, I think the school boards should make sure that they should know the people in the school board area. There are thousands of people that the school boards do not even contact. So it is a double-barrel thing; the minister's bill is not going far enough, the school boards are not on the ball. And I would suggest to the minister that she let this bill die on the Order Paper. And with these few remarks I would like to say that we will not be supporting the bill.

MR. ROBERTS: Mr. Speaker.

MR. SPEAKER (Russell): The hon. the member for the Strait of Belle Isle.

MR. ROBERTS: Thank you, Mr. Speaker.

Another afternoon in which we have been addressing the priority issues which confront the people of this Province, and I want to congratulate the minister for her perspicacity and her perception of what really matters in this Province today, that here we are debating a bill, An Act To Amend The Local School Tax Act, which will put into it something that arguably ought to have

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MR. ROBERTS: been in it fifteen years ago,
namely, when a court is asked to convict a person for the
offense of failing to pay a school tax, that at the same time

MR. ROBERTS:

the court can order them to pay that tax. That in itself is hardly unusual, Mr. Speaker. We have done that with the waste disposal management tax bill - whatever it is called - we have done it with the retail sales tax. The principle of that part of the law is not in itself very new and it is not very objectionable. I find this bill objectionable for two reasons, and like my colleagues I will speak against it and I will vote against it. The first is simply stated, and that is that of all the problems confronting this Province at this time, I think it is obscene that the government chooses this as the subject of their Legislative priorities, these types of problems. I am not going to go through the Order Paper, Your Honour, it may or may not be relevant. It is certainly not relevant to the people of Newfoundland and Labrador, it may not even be relevant to the rules of this House, but the Order Paper is crammed with this sort of Legislation which I have earlier described as being the dregs of the legislative programme.

This bill is an example, Mr. Speaker, of how a government just has failed completely to address the issues which are of importance in this Province today. I do not know if the Premier's (Mr. Peckford) polling system tells him that a bill to implement an Act To Amend The School Tax Authority Act is a priority, but if it does he should perhaps consult other pollsters. Mr. Speaker, it is obscene, as I have said, that the government chooses to make the House of Assembly devote an entire afternoon to this. And if somebody over there says it is our side that is debating it, we do not control the order

MR. ROBERTS: of business, Sir.

We have a right to speak in accordance with the rules of the House and we intend to use that right in accordance with those rules.

MR. CARTER: Normally five minutes is enough.

MR. ROBERTS: Yes, Mr. Speaker, normally five minutes is enough but we are so outraged by the obscenity demonstrated so adequately and so inescapably by the gentleman for St. John's North (Mr. Carter) that we choose to protest. And I venture to say we will go on protesting. And if we are going to be here until January or February or March or April or May or June so be it. Until this government can come before this House with something approaching a legislative programme and an economic programme, they deserve this kind of treatment. There are only seven of us here. We are going to make ourselves heard. And that, Mr. Speaker, is our duty, it is also our right, and we intend to discharge both. This bill is an obscenity, a legislative obscenity.

MS. VERGE: Come on!

MR. ROBERTS: Yes, "Come on!" says the minister. I say to the minister it is a legislative obscenity that she makes the time of the House of Assembly be given over to this type of legislative trash.

DR. COLLINS: That is an opinion.

MR. ROBERTS: Yes, it is an opinion and fortunately it is a sound opinion unlike the opinions of the Minister of Finance (Dr. Collins). Of course it is an opinion.

DR. COLLINS: Your opinions do not really matter.

MR. ROBERTS:

The hon. gentleman opposite says my opinions do not matter. They do not matter to him and that, Sir, is something that concerns me not a wit. I am not the least bit concerned with whether the Minister of Finance (Dr. Collins) agrees with any of my opinions. I have my own opinion of him which fortunately is amply demonstrated - a man, Mr. Speaker, who cannot even count. He has got ten fingers as far as I know, he has got ten toes as far as I know, and he cannot even count to twenty. He cannot even count

MR. ROBERTS: the number of millions in sales tax within \$20 millions. I am not too interested in his opinions.

MR. NEARY: It was a classic what he did to McConnell's today.

MR. ROBERTS: Well, Mr. Speaker, the Minister of Finance (Dr. Collins) is a classic in many ways, I say to my friend from LaPoile. He is a classic example of how not to be a good Minister of Finance, the ultimate in burned out volcanoes, because he never did have the fire.

MR. BAIRD: Irrelevancy, Mr. Speaker, irrelevancy. He is wasting the time of the House.

Now, Mr. Speaker, we are hearing once again from the bowels of the House, the far-reaches of the House. The gentleman from Humber West, looking out from beyond his newspaper, favours us with his views. Well, Sir, I find those immensely more interesting than the Minister of Finance's. And I am waiting, Sir, for the day when the member from Humber West makes his maiden speech in this House. It is something we will all look forward to.

MR. BAIRD: If I could not make a lot more sense than you have, I would not even try.

MR. ROBERTS: Mr. Speaker, if the hon. gentleman could not talk more sense than I, he would be better advised to shut up, which is something I commend to him.

Now, Mr. Speaker, let me deal with the second point, why I oppose this bill. And it is a point of philosophy, a point of the method by which we in this Province should pay for the public services which we have and which we expect.

MR. ROBERTS: Mr. Speaker, if I could get the attention of one of the four Pages, I would be grateful for another glass of water.

MR. CARTER: I would get you a glass of water if you would drink it.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: I did not hear that. What did he say? My friend from St. John's North said something witty, for once in his life, and I had the misfortune to miss it. What a shame!

MR. MORGAN: He said he would get you a glass of water if you would drink it.

MR. ROBERTS: I see. I would be delighted to have water as long as it was not water that was made.

Now, Mr. Speaker, let me come back to my point: There ain't no such thing as a free lunch and if we, in this Province, want public

MR. ROBERTS: services, we have to pay for them. We pay for them either through taxes or from moneys which we get from Ottawa or from moneys which we borrow. There is no other way to get anything at all. We have three sources of moneys and every cent that we spend must come from one of those three sources. The Minister of Education (Ms Verge) to that extent is quite right when she says if we abolish the school taxes, as we advocate, where do we get the money? That is a very bright point. We get the money the same place we get every other dollar we spend, from one of those three sources.

The issue, Mr. Speaker, is how we raise the money which we spend. This government have adopted a new policy, one that has not been in effect in this Province since the early '30s, the last time we had a Tory Government. They want to talk about the Smallwood administration - let them. I will talk about the last Tory administration we had in Newfoundland, as she then was. They drove her under.

MR. CARTER: Are you suggesting that will happen again?

MR. ROBERTS: No, we are not going under now because Canada will save us. That is what keeps us going. Looking at the prospectus, the most recent prospectus, Mr. Speaker, of bond issues - this one is in German; we are now over in Switzerland borrowing money, we will borrow anywhere we can get. Fortunately, it is also in English so I can understand it, unlike the gentleman from St. John's North. We can both read it but I can understand it. And it is a most sobering story.

But that is not the issue. The issue is, How are we to raise the money which we spend on schools, among other things?

MR. ROBERTS:

This government have now adopted a policy of financing current account from borrowings. They did it last year, they are doing it this year and they will do it next year.

MR. ROBERTS: If the Minister of Finance (Dr. Collins) chooses to do something unique for him-it is unheard of in this Province! - if the Minister of Finance chooses to do something which for him is unique, and that is make an honest budget statement to this House unlike the ones which he has made, he will agree, when he brings in his budget next February or March, whenever we get it, that we are going to finance a current account deficit again in the coming fiscal year, the 1984-1985 year, and probably in 1985-1986. So that is how this government has chosen to do it.

The real issue growing from that is how we tax our people. And our point is quite simple, that the school tax is an unfair and inequitable tax. It is not linked to one's ability to pay. It is either a poll tax or a real property tax and neither of those is an equitable way to raise money. What is it here in St. John's? A hundred dollars a year now? It is eighty-five in my constituency.

MS. VERGE: One hundred and five.

MR. ROBERTS: One hundred and five.

I thank the minister. One hundred and five dollars a year paid by the minister -

MS. VERGE: Oh, I pay in

Corner Brook.

MR. ROBERTS: Oh, she pays in

Corner Brook. Whatever it may be there.

MR. BAIRD: She happens to live in her district.

MR. ROBERTS: I am grateful to her and I am sure so is her district. I understood that her family lived in St. John's now. But if she pays in Corner Brook that is fine. I do not care where she

MR. ROBERTS: pays. That is her problem, not mine. The point is that \$105 a year from the minister's salary - a minister of the Crown gets \$70,000, \$80,000 a year adding in all the perks and the member's salary that, of course, goes with it - which is one devil of a lot less than \$105 a year from, say, one of those public servants making less than \$18,000 who is being held to a three point increase next year. That is what is unfair about this tax. That is why, in our view, it should be ended. It is an unfair and inequitable tax. The same with the real property tax. Oh, there may be a very rough correlation. I do not know whether the minister owns a house or not but I would venture to say, if she does it is a far more substantial house, because she is a little higher up in the economic scale, than many of her constituents or many of mine. That is fair enough. That is the way the world works. And you may say a real property tax based on assessment reflects that, but it does not reflect one's disposable income.

We hear this argument about property tax all the time, especially in the municipal field. And it is gradually coming through to people that real property taxes are not a very good method on which to base taxes. So what we are dealing with -

DR. COLLINS: (Inaudible) the retail sales tax.

MR. ROBERTS: I am sorry?

DR. COLLINS: (Inaudible) the retail sales tax.

MR. ROBERTS: No, the retail sales tax, agreed. I think the only fair tax is an income

MR. ROBERTS: tax. And I am more and more coming to the philosophy - perhaps the minister and I could debate this at some point - that what we ought to have is a flat rate of tax without all the incredible forest of exemptions and what have you. I think there is a lot to be said for that as a concept.

MR. CARTER: What about a surtax on professional incomes?

MR. ROBERTS: I would be all for a surtax on professional incomes. If you want to bring it in next year, the minister can deal with the professions. In the law trade we heard last year he was going to levy a tax, 12 per cent sales tax, on lawyer's fees. That would have been very interesting indeed.

AN HON. MEMBER: Twenty-four per cent.

MR. ROBERTS: Twenty-four, did somebody say? I hear one of the non-lawyers over there saying twenty-four. Do I hear thirty-six? I mean, I have no argument with the principle that those who have, and therefore can afford to pay more, should pay more. There ain't no free lunch.

MR. ROBERTS: And if the government choses to levy surtaxes ,then they will have to answer and the people who pay them will do whatever they feel appropriate. But the progressive income tax, I think, is the fairest method of taxing that we have found. I do not like it, I grimace when I pay mine, and I pay as little as I figure I am required to pay, and I pay an accountant to tell me what is the least I figure I have to pay.

MR. SPEAKER (Russell): Order, please!

I would like to interrupt the hon. member. Being Thursday and being 5:30 p.m. with no questions for the Late Show, except by leave of course, it is deemed that a motion to adjourn has been made.

MR. ROBERTS: We Adjourn the House then, Standing Orders. See you in the morning.

On motion, the House at its rising adjourned until tomorrow, Friday, November 25, 1983, at 10:00 a.m..

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Answers to questions

tabled

24 November 1983

*Called by Hon. Minister of Finance
24 Nov '83*

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

DR. JOHN F. COLLINS

SUBJECT: McConnell

Mr. Speaker, I would like to take this opportunity to respond to questions from the Honourable the Leader of the Opposition.

These questions were:

- (1) "If the public treasury has recovered the amounts that were spent on two films of a Tory Convention in Gander in 1968."
- (2) "Whether or not the money was recovered from the Tory party in this Province."

Mr. Speaker, this matter arose from a comment in the report of the Auditor General for the financial year ended March 31, 1979, paragraph 28 which reads as follows:

"28. Political Convention expenses charged against public funds. Expenditure charged to Subdivision 307.03, Special Action Group, Resource Public Relations Program, comprises mainly payments made to a group of public relations and communications consultants. The audit of these payments disclosed that at least in one instance, the group was paid \$20,885 for services which they identified as relating to the Progressive Conservative Party Convention, which was held in Gander 1978. I hold a differing opinion from those who claim that funds were appropriated by the House of Assembly for such a purpose."

This matter was the subject of a comprehensive review carried out by the Internal Audit Division of the Department of Finance. At the same time, a sum of \$64,000 was claimed by McConnell for work done ~~for~~ the Government which was held unpaid by the Government pending completion of this review. Subsequently, McConnells claimed interest on this unpaid amount which eventually raised their total claim against Government to a figure in excess of \$86,000.00.

The review involved Internal Audit staff visiting McConnell's offices to examine records to establish that billings by McConnell had been made in accordance with the terms of the contract between McConnell and the Government. The review also identified an overpayment to McConnell of some \$5,000 for interest on late paid invoices.

The findings contained in the Internal Audit review were referred to the Department of Justice for their advice as to the Government's course of action. Following extensive review of the whole case, Justice concluded that it was unlikely a legal claim could be maintained against McConnell for any amount other than the approximate sum of \$20,000 referred to in the Auditor General's report and the interest overpayment of approximately \$5,000 identified by the Department of Finance.

As a result, Justice recommended that negotiations be commenced with McConnell in order to confirm the validity of McConnell's claim for an amount in excess of \$86,000 and to arrange recovery of the sums owed to the Province.

Subsequent negotiations carried on between provincial officials and representatives of McConnell over an extended period resulted in a settlement whereby McConnell abandoned all claims for interest and the Province recovered \$28,000 by deducting this amount from the \$64,000 properly claimed by McConnell for the unpaid invoices previously frozen by the Government. This resulted in the Government agreeing to make a net payment of \$36,000 to McConnell.

This settlement fully compensated the Province for its provable claims and avoided legal costs and further delay in attempting to obtain recovery through court action. The Government also received a final release of all claims against it for any and all work performed by McConnell for Government under the contract or otherwise.

In summary, the sum of \$20,885 referred to in paragraph 28 of the Auditor General's report and which was the subject of the Honourable the Leader of the Opposition's first question, has been recovered from McConnell.

Because this amount has been recovered by deducting it from the total claimed by McConnell, the issue of an action against the Progressive Conservative Party does not arise.