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Speaker: Honourable James Russell

Tuesday

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The House met at 3:00 p.m.

MR. SPEAKER (Russell):
Order, please!

Statements by Ministers

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

DR. COLLINS:
Mr. Speaker, I am today tabling an objection by the Comptroller General to certain expenditures charged to the 1983-84 fiscal year. I would like to take this opportunity to clarify and explain the circumstances leading up to this objection.

Section 24 subsection (1) of the Financial Administration Act deals, in part, with the circumstances where government can, after the end of a fiscal year, continue to charge certain expenses to that year. Generally, the Act has always been interpreted to allow expenses to be charged to a year provided that, firstly, the liability was incurred during the year; secondly, the invoice was received within thirty days of the close of the fiscal year; and, thirdly, a sufficient appropriation was available in the year in which the expense was charged.

This method of treatment of year-end transactions has been a long standing accounting practice for government departments.

During the 1983-84 financial year, the Comptroller General was made aware that the provisions of Section 24 subsection (1) of the Financial Administration Act did not provide sufficient authority to authorize the continued

accounting treatment of year-end transactions in the traditional manner. Because of this lack of appropriate authority, the Comptroller General objected to payment of invoices in the same manner as in previous years. Treasury Board considered the objection and overruled it in order to ensure consistency in the treatment of these transactions in our accounting records. At the same time, Treasury Board directed that an appropriate amendment to the Financial Administration Act be prepared to provide sufficient authority for our long standing accounting practices relating to year-end transactions. This amendment is being presented to the House in the present sitting.

In accordance with Section 32 subsection (2) of the Financial Administration Act, I hereby table the Report of the Comptroller General on this matter for hon. members' information.

Mr. Speaker, I might add that it is quite in accord with the Financial Administration Act for Treasury Board to have acted as it did and require this tabling. As long as the circumstances were explained and tabled in the House, the Financial Administration Act permits this type of procedure.

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

MR. NEARY:
Mr. Speaker, what the hon. gentleman is really saying is that it is all right for the Minister of Finance (Dr. Collins), for the administration, to break the law as long as they inform the House about it because that is what the hon. gentleman is doing. Something else he is doing too, Mr. Speaker, is turning the office

of the Comptroller General - and as everybody knows the Comptroller General is a servant of this House, answers only to the House and not to the minister, Mr. Speaker - into a great farce and he is making a farce out of the Financial Administration Act, Mr. Speaker. The Financial Administration Act is the law that governs the collection of revenue and the expenditure of public money. We are talking about sacred territory here, sacred ground. The word of the Comptroller General should be questions by nobody let alone the flunkies down on the Treasury Board. He has the final say; he and the Auditor General are the two watchdogs of the Public Treasury. So what they are doing, Mr. Speaker, is just making a laughingstock out of the whole matter. The Comptroller General was absolutely correct in raising his objection. It should have been upheld by the administration who recommended his appointment in the first place. And, Mr. Speaker, what they are doing they are letting down the position of the Comptroller General, they are allowing these things to go on contrary to the Financial Administration Act.

DR. COLLINS:

That is not true.

MR. NEARY:

It is true. They did the same thing, Mr. Speaker, before the last election. Traditionally in any jurisdiction that you want to look at you cannot spend money, pay bills in the new fiscal year out of no estimates. You cannot do it, Mr. Speaker. It is another way of saying that they were wrong in their estimates. What the minister is also admitting is that the deficit was more than they

anticipated, but they used the estimates for the year 1983-84 to pay bills for the previous fiscal year. Technically that is wrong and the Comptroller of the Treasury was right. What they are going to do now, Mr. Speaker, to make matters worse, they are going to amend the Financial Administration Act now to suit themselves, to give themselves a blank cheque so they can do what they like. Every time they cannot get their own way, every time they get caught doing something wrong, breaking the law, they will change the act.

MR. SPEAKER (Russell):

Order, please!

The hon. member's time has expired.

DR. COLLINS:

Mr. Speaker, may I comment on the member's remarks?

MR. NEARY:

No, you cannot. Sit down.

Oral Questions

MR. SPEAKER:

The hon. the member for Fogo.

MR. TULK:

Mr. Speaker, I have a question for the Premier. It concerns Mr. Crosbie as the federal Minister of Justice and Newfoundland's representative in the federal Cabinet. There was a statement yesterday that FPI would not be getting further federal funds until it proves that it can make its way. In other words, Mr. Crosbie and, I suppose, the federal government is now taking the hard-nosed attitude of proving your worth or else do not come to us. I think that is how it can be

summed up.

My question to the Premier, Mr. Speaker, is did he consult with the Premier on that type of attitude, who, after all, represents a government which is a 26 per cent shareholder in FPI? Does the Premier agree or does he condone or does he feel the same way as the federal minister? More importantly, perhaps, when does he anticipate that federal funding will be forthcoming for FPI?

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

PREMIER PECKFORD:

Mr. Speaker, first of all, I think the hon. member for Fogo (Mr. Tulk) is not interpreting the comments of the Minister of Justice and Attorney General for Canada (Mr. Crosbie) properly. I think, we would have to get the exact words the minister used. I saw the interview on television last night and what the minister was saying was that this whole Fishery Products International, the present dispute between the company and the union and so on, we have to come to grips with it, that we have to solve these outstanding problems which see nothing being done in the company. But I do not think he indicated that no additional funds would be forthcoming. As a matter of fact, Mr. Speaker, I am glad that the hon. member for Fogo (Mr. Tulk) has asked the question, because I would like to announce to the House and through the House and to the people of Newfoundland that in the last number of days the shareholders have agreed to inject an additional \$9.5 million into the company to ice re-enforce the trawlers which are now up on the shipyard at Marystown - they have to be done in Newfoundland -

and for additional improvements to the turnaround ability of the trawlers at the Marystown wharf and for additional capital improvements to the wharf at Catalina. So rather than no money being forthcoming, Mr. Speaker, in the last number of days the shareholders have provided an additional \$9.5 million to the company for capital improvements. In the next couple of days, as a matter of fact starting tomorrow, there will be meetings with the other shareholders to review the whole capital plan of Fishery Products International. What the Attorney General for Canada (Mr. Crosbie) was saying is that we have to make this company operate, that we have all got to get together and I too would second those comments.

MR. TULK:
Mr. Speaker.

MR. SPEAKER (Russell):
The hon. the member for Fogo.

MR. TULK:
The Premier can get up all he wants and try to bluff his way out of this. In his hard-line statement Mr. Crosbie definitely said that before any part of the \$125 million that has been said to be needed by FPI is forthcoming, FPI has to prove its worth. Now, Mr. Speaker, it seems that Mr. Crosbie, Mr. Wilson and the shoe merchant, Sinclair Stevens, are running a colossal bluff here and the Premier perhaps is helping them. Every indication, including Crosbie's statement yesterday, points to the fact that the Super Company is to be divided between those that are profitable and those that are not. Mr. Speaker, my question to the Premier is -

MR. MARSHALL:

A point of order, Mr. Speaker.

MR. SPEAKER (Russell):

Order, please! Order, please!

The hon. the President of the Council on a point of order.

MR. MARSHALL:

Mr. Speaker, the hon. gentleman quite obviously is debating the answer. He is asking a supplementary question and he is entering into the realm of debate.

MR. SPEAKER:

Order, please!

To that point of order, I recognized the hon. the member for Fogo (Mr. Tulk) on a supplementary question and he was entering into the realm of debate and maybe he should pose a specific question.

The hon. the member for Fogo.

MR. TULK:

Mr. Speaker, the Premier's answer perhaps provoked debate. I was about to put my question.

Does the Premier agree with that division, the division into those that are profitable and not profitable, those that are profitable and those that have to be kept for social reasons? Has the federal government consulted the Premier on that matter? More importantly, has the Premier given any direction to Mr. Victor Young, who represents, I think everybody will agree, the Newfoundland Government on that board, as to the direction that he wishes FPI to take?

Now the Premier can pat his desk all he likes, Mr. Victor Young is supposedly the person who represents the Newfoundland Government.

MR. SPEAKER (Russell):

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, this is absolutely incredible. The shareholders of Fishery Products International are: Number one, the major shareholder, over 60 per cent, is the Government of Canada; and then for 26 per cent is the Government of Newfoundland and Labrador; and 12.5 per cent the Bank of Nova Scotia. Now the member for Fogo (Mr. Tulk) can get up and say that Mr. Victor Young, the President and Chief Executive Officer of the company, represents the Government of Newfoundland and Labrador. Mr. Speaker, let us get a few facts straight. The new President, CEO, of Fishery Products International was appointed by the shareholders and we are a minority shareholder. Now how can this new President and Chief Executive Officer be a spokesman for the Government of Newfoundland and Labrador? I mean, this is incredible. Where does the member for Fogo (Mr. Tulk) come from? Where does he get his facts? How can he make such broad statements as that, Mr. Speaker? This is incredible, Mr. Speaker. Talk about being consulted, I had a meeting this morning with the Minister of Science and Technology (Mr. Siddon) at 8:00 a.m., last night the Minister of Development (Mr. Windsor) had a meeting with him at 10:00 p.m.. We have had more federal ministers and more consultation in the last while, I am sick and tired of seeing the federal ministers. I got to get up 6:00 a.m. and 7:00 a.m. in the morning to see them, late at night to see them. We have had more ministers here in the last week than you can shake a stick at. I do not think there is a forty member Cabinet up there, there

must be about a 100 member Cabinet, they are coming out of the woodwork all over the place. Almost every hour in the last ten days, I can report to this hon. House and through this House to the people of Newfoundland, that I have been cheek to cheek, toe to toe, with, as the member for Fogo (Mr. Tulk) would say, the shoe merchant, as if there is something wrong with being a shoe merchant. What a way to refer to the federal Minister of Regional and Industrial Expansion, Mr. Stevens, Mr. Speaker. We have been in touch with him daily, hourly, and it is as a result of those consultations over the weekend that \$9.5 million has been allocated to get the trawlers on the Marystown Shipyard, not a shipyard on the Mainland like the federal Liberals would do, but in Newfoundland, get them ice reinforced, improve the efficiency in Marystown fish plant, improve the efficiency at Catalina. We are making all kinds of progress but obviously what Mr. Crosbie, the Minister of Justice, was trying to say is that if we are going to make this company work we have all got to work together, the union, the management, and the company, and the company means, as Mr. Crosbie said last night, the employees as well. You cannot have a company without the employees and treating them properly, this is what he was saying, that they have all got to work together. There are meetings ongoing over the next several days to deal with the business plan of the company by the shareholders. That is what is happening. But for the hon. the member for Fogo (Mr. Tulk) to get up and make the kind of accusation that the President and Chief Executive Officer of a company in which the federal government is a major

shareholder has suddenly become the spokesman for the Government of Newfoundland and Labrador escapes me. I only hope that the member for Fogo, who apparently is the Fisheries critic for the other side, never becomes the Minister of Fisheries in the Province of Newfoundland and Labrador.

MR. TULK:

A supplementary, Mr. Speaker.

MR. SPEAKER (Russell):

A supplementary the hon. the member for Fogo.

MR. TULK:

Mr. Speaker, the Premier cannot have it both ways. He has to have it either one way or the other. Either Mr. Victor Young was put there as a result of his consultation and control or he was not. Mr. Victor Young is known to represent this government.

Now, Mr. Speaker, the Premier did not answer the last question, he got carried away. But as part of the whole bluff that is being perpetrated on the people of Newfoundland, it seems that the scenario is to divide FPI, as Mr. Crosbie said last night, then have the profitable - whatever that is - portion taken over by private enterprise. Now, let me ask the Premier is that the case? In all of his consultation, has there been any discussions held in this regard? Who is going to decide whether something is profitable or non-profitable? More importantly, what happens to those that are supposedly not profitable, in other words the social enterprises, and what stand will the government take on these important matters? Will he now fight for Newfoundland or just lie back and take whatever the Tories in Ottawa decide to dish out to

him? Is that his attitude?

MR. SPEAKER (Russell):

The hon. the Premier.

PREMIER PECKFORD:

When I was fighting for Newfoundland, according to the Opposition I was a confrontationalist, I was a separatist; now suddenly we have a government up there that wants to cooperate with the provinces and now I am not fighting for Newfoundland, now I am not a separatist and not a confrontationalist. I do not know what I am now, Mr. Speaker. Mr. Speaker, when suddenly the arrogant and unilateral Mr. Trudeau was gone and there was a new era of federal/provincial consultation involved, the poor old Opposition could not believe that yours truly could get along with anybody. They wanted to put the blame on me. I was not supposed to be able to get along with anybody, you see, Mr. Speaker. Now where do they find themselves? They have got to come full circle, since I am no longer a separatist or a confrontationalist. I do not know what I am going to be labelled as next. All I can say to the hon. the member for Fogo (Mr. Tulk) is that it is incredible the questions that the hon. the member asks. I will ask the new Leader of the Opposition (Mr. Barry) to direct his Fisheries critic to read the restructuring agreement because what the member for Fogo is asking is contained in that restructuring agreement. Now, what plants are going to be economic or non-economic, which ones are going to be social or economic, we do not know at this point in time. The restructuring agreement says all plants will be opened. Grand Bank has an

eighteen month life to prove itself. Burin was changed from a primary processing facility into the first secondary processing plant in Newfoundland of any size in the groundfish business. There have been secondary processing plants in Newfoundland but they have been mostly in the pelagic species, not in the groundfish species. National Sea was the only one that fed the Canadian market. We cannot get into the US market with processed fish - I will have to educate the hon. member for Fogo (Mr. Tulk) - because of the tariff problem. So therefore we have to send our cod blocks down to Massachusetts, put our processing plants down there, and then process the cod blocks and then sell them to the United States in the same way as Scandinavia has to do. Now Burin is going to produce secondary processed fish for the Canadian markets to compete against National Sea. Now these are the only plants that have changed their status under the restructuring agreement. The rest of the restructuring agreement says - please read the restructuring agreement - all the plants are open. At some point in the future it will be decided whether in fact you can maintain and continue that policy. And if you cannot, then it is up to the governments to decide what they are going to do at that point in time. But it has not been proven yet whether any plant is going to be uneconomic. There is an all plants open policy and it will be up to the company to see how well they can efficiently manage all those plants before we will know whether in fact there has to be a social factor built into it or whether it has not.

So all the hon. member is asking

is for me to take a crystal ball and look into the future three or four or five or six years down the road, or ten years down the road. Contrary to the members opposite, who supported a government in Ottawa that wanted to close down Gaultois, wanted to close down Ramea, wanted to close down Grand Bank, wanted to close down Harbour Breton - we have it in writing that their friends in Ottawa wanted to close down half of those plants - we were the only ones, Mr. Speaker, who stood up against their friends and said no way will we allow the friends of the Leader of the Opposition (Mr. Barry), the friends of the member for Fogo (Mr. Tulk) to close those plants. We are the ones kept Gaultois open and Ramea open and Harbour Breton open and gave Grand Bank an eighteen month life and changed Burin plant into a secondary processing plant. It was not the Liberals, provincially or federally, it was the PCs provincially who sustained that argument and embarrassed Mr. Kirby, Senator Kirby now, and embarrassed the other Liberal moles in Ottawa to come around to our way of thinking, Mr. Speaker. So it is all plants open policy that we have, not the Liberal policy of closing down plants.

SOME HON. MEMBERS:
Hear, hear!

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

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

MR. TULK:
Mr. Speaker, let me say this to the Premier. I read the restructuring agreement and I understood it. And I pointed out

to him last year that he was about to lose control of this company, which he has now done. And with regards to looking into the crystal balls, the Premier is famous for that. He lost control of this company, he has lost it and now he is trying to get out from under.

MR. NEARY:
And in turn lost control of the fishery.

MR. TULK:
The Premier has lost control and knows it. CDIC now owns 60 per cent of the shares in that company and you have lost it.

Now upon reflection, Mr. Speaker - we warned the Premier of this the other day - let me ask the Premier, now that he has had time to think and perhaps consume Mr. Wilson's statement, does he know what is going to happen to CDIC shares in FPI if Mr. Stevens, as he intends to, has the opportunity to sell CDIC?

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

PREMIER PECKFORD:
Mr. Speaker, here we go again. I heard the question the hon. member for Fogo (Mr. Tulk) asked the Acting Minister of Fisheries (Mr. Goudie) the other day, and I was hoping, since the time he asked that question to now, he would have been after making a couple of phone calls. CDIC never did have the shares of Fisheries Products International.

MR. TULK:
Oh, yes.

PREMIER PECKFORD:
No. No, I am sorry, Mr. Speaker. There were negotiations underway

with the lawyers to transfer the shares while the Liberals were in power, the shares of the Government of Canada and Fisheries Products International to CDIC.

MR. DINN:
Surprise!

PREMIER PECKFORD:
But the transaction had never been completed. So the shares of Fishery Products International have never been with CDIC. So let the Fisheries critic for the Opposition do some homework and do some research. Never has CDIC had the shares of Fishery Products International. Secondly, after the PCs took over power in Ottawa they made a fundamental decision and this was in the papers, Mr. Speaker, and the member for Fogo (Mr. Tulk) can read.

SOME HON. MEMBERS:
No, no!

PREMIER PECKFORD:
The member for Fogo, I am being presumptuous, can read. And if he had read the statement that came out from Mr. Stevens he would have read here are the ones that are going to be sold to the private sector but the fishing industry is not going to be part of it. Because, number one, CDIC did not have the shares of Fishery Products International. And number two, the new government had decided neither would they get the shares of Fishery Products International, it would remain with the Government of Canada through the Department of Regional Industrial Development. So the shares of Fishery Products International that are owned by the federal government remain with the federal government through the Department of Regional Economic Industrial Expansion.

MR. FENWICK:
Mr. Speaker.

MR. SPEAKER (Russell):
The hon. member for Menihek.

MR. FENWICK:
My question is to the Premier as well. On the weekend when I was in my district I was approached by

SOME HON. MEMBERS:
Hear, hear!

MR. FENWICK:
I am glad that the members opposite would approve of that. I am afraid they had to cancel their PC dinner at the same time because they could not get anybody to attend, but that is beside the point.

While I was there the members of The Ministerial Association approached me and asked me to make a request to the House here. They pointed out that residents all across the Province have been collecting money to send to Ethiopian famine relief and that in Labrador West they have now collected somewhere in the range of \$19,000, despite the problems we have been having, and that since the federal government and a number of other provinces are now willing to match it dollar for dollar, my question to the Premier is is the provincial government here willing to enter into such a programme as well?

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

PREMIER PECKFORD:
Mr. Speaker, we would love to enter into such a programme if we had the ability so to do. When I look across the House and I think of all the attacks that the

Minister of Finance (Dr. Collins) came under last week because our deficit had gone from \$50 million something to \$60 million something for a quarter, and at how bad we were at mismanaging the affairs of the Province that it makes it rather difficult to borrow more money even though it is for a worthy cause. Of course, we could borrow money for a lot of worthy causes both inside and outside of the Province.

I compliment the Ministerial Association and those people in Labrador West who have contributed to it, as I do all Newfoundlanders and Labradorians who have voluntarily supplied additional money to that worthy cause. Some other provinces better able to contribute money than we have done so, but at this point in time I do not think we could borrow that extra money even though it is for a worthy cause. The federal government has provided \$4 million or \$5 million extra, I think it is. So I do not know what our proportionate share would be.

If you look at what the federal government has provided and then give our proportionate share, it would be very small indeed. It might only be \$100 rather than even \$1 million.

But I personally and morally feel, I guess like a lot of other Canadians and people on the planet feel that this is an awful thing. It has been going on for many years and it is happening all over the world, not only in Ethiopia. Does a time come when, regardless of your financial position, overriding humanitarian interests take precedence over responsibility to the constituents you serve, the people of Newfoundland and Labrador? I do

not know where that line is drawn.

But obviously the member's question is well taken. I guess we can take it under advisement at this point in time. I do not know what the total figure would be if we had to do it dollar for dollar. \$16,000 in Labrador West, I do not know what it is for the Province as a whole. But I thought about it on a number of occasions over the last couple of weeks and would be willing to entertain it with my colleagues over the next number of days recognizing the serious situation that does exist.

The other problem we have with it is that, on the one hand, you are doing it for Ethiopia and then you think of other people who are starving in other parts of the world for whom you are not doing anything. So we are still being selective albeit morally you can justify it. But I will take the issue under advisement and respond in the spirit in which the hon. member, I am sure meant the question, that is, to try to be fair and reasonable with a worldwide problem that we all should be responsible for.

MR. SPEAKER (Russell):

The hon. the member for LaPoile.

MR NEARY:

Mr. Speaker, the other day across the House the Premier and I as a little aside sort of started a love-in. Mr. Speaker, I hope the hon. gentleman does not let me down because I kind of like the new image. Now during the Question Period today, when he flew off the handle with my friend for Fogo (Mr. Tulk), I think that is very unbecoming. I do not want to end that love-in because it is so nice, Mr. Speaker. And

something else, I hope the hon. gentleman does not turn me off with letters like he wrote to Mayor Hutchings of Corner Brook. That is what I want to ask the hon. gentleman about. I am prepared to give him the benefit of the doubt up to the moment, but if he keeps it up I am afraid this little love-in is going to have to end, Mr. Speaker. Has the hon. gentleman started a new policy now whereby he is going to gag mayors and municipalities? Mr. Speaker, they are autonomous in their own right. The city council in Corner Brook wrote the federal Minister of Justice (Mr. Crosbie) arguing that they should keep the RCMP and not the Newfoundland Constabulary. And the Premier, unbecoming of him, flew off the handle and wrote a very nasty, snarly letter to Mayor Hutchings. Now I ask the Premier is that the right and proper thing to do? Should he not try to refrain from gagging mayors and municipalities throughout this Province? They have every right to approach federal ministers or anybody else that they want to. And will the hon. gentleman undertake to apologize? I would think more of him if he would do that, Mr. Speaker. His offer the other day might be more tempting if he would only be man enough to write the city council in Corner Brook and apologize for the nasty letter that he wrote them because they approached the federal Minister of Justice (Mr. Crosbie) about keeping the RCMP in Corner Brook.

MR. SPEAKER (Russell):

The hon. the Premier.

PREMIER PECKFORD:

Well obviously, Mr. Speaker, after last week's love-in the Leader of the Opposition (Mr. Barry) called in the member for LaPoile (Mr.

Neary) and told him that if you do not toe the line you are out off this caucus. That is what it sounds like to me. The rumours are getting too strong on the South Coast. There is division within the ranks. I appreciate where the member for LaPoile is coming from, I understand what he is up to and I guess a lot of other people do too. The member for LaPoile is his own person and will always be as long as he is in this House. If that means to outdo in headlines the Leader of the Opposition again today that is what he will do. If that means attacking me so be it. The member for LaPoile is out for himself and out for nobody else and he has proven that over the last number of years.

MR. BARRETT:

'Garfield' is agreeing with you.

PREMIER PECKFORD:

We all know that, and, I suppose, on one level we all appreciate that he has the luxury to be his own person. And on another level we have to take issue with certain of the things the hon. member says from time to time. As far as flying off the handle with the member for Fogo (Mr. Tulk), I did not fly off the handle with the member for Fogo. I just feel very strongly that when suddenly a Government of Canada says to the representatives of the Government of Newfoundland that we are going to close down Ramea, Gaultois, Harbour Breton, Grand Bank and Burin, and all that means to the economic well-being and social and cultural well-being of the South Coast of this Province and, therefore, we fight back reasonably and rationally and logically and change that, I am going to take credit for it. If that means flying off the handle,

Mr. Speaker, by taking credit for it, then I flew off the handle. And that is my answer to the hon. member for LaPoile (Mr. Neary).

Now, on the issue, the substance and pith of the question that he asked as it relates to the issue in Corner Brook, which is the introduction of the Royal Newfoundland Constabulary to the city of Corner Brook, that decision was made a number of years ago. And subsequent to that the Minister of Justice (Mr. Ottenheimer) and others travelled to Corner Brook and met with the council, spoke to Rotary and other local service groups in the area, and indicated that this was a decision we had made for a number of reasons, and I said that in my letter back to Mr. Hutchings. But I also said in the letter back to Mr. Hutchings that a lot of people in Newfoundland do not realize that the RCMP are here under contract, the taxpayers of Newfoundland and Labrador pay for the RCMP. That does not come as manna from Heaven from the Government of Canada. We pay the Government of Canada for the RCMP in this Province and the contract price has gone up very, very high to the point where we can now service some of our communities and regions through the Royal Newfoundland Constabulary just as cheaply as though the contract with the RCMP. More importantly, though, is the point that we think a two force system is good for the efficiency of both systems, of both forces. We think it breeds some kind of competition and brings some competitiveness into the two forces. Thirdly, and just as important, it gives a lot of young Newfoundlanders a better chance to get into law enforcement than they would have and they do not have to leave the Province in

order to do it. It also has an employment generating factor for young people in this Province. Now the Mayor of Corner Brook knows all about that. We have talked about that to the council and to the Mayor over the last number of years, not in a few weeks or month. And the Minister of Justice (Mr. Ottenheimer) and his officials have talked to the city council and to other people in Corner Brook. And right out of the blue - talking about doing things and flying off the handle - without letting the Province know, and under the constitution the Province is fully responsible for law enforcement, not the Government of Canada, the Mayor of Corner Brook sees fit, unknown to the Government of Newfoundland, to write the Solicitor General and Attorney General for Canada, as if he had jurisdiction, to tell the Government of Newfoundland to change its decision and not put the Royal Newfoundland Constabulary over in Corner Brook but to keep the RCMP. All this was done completely unknown to us. So I responded to the Mayor of Corner Brook and said it was very inappropriate, I think that was the word I used if my memory does serve me correctly, for the city council of Corner Brook to write the Attorney General of Canada and the Minister of Justice about this matter because this is a matter that comes completely under the jurisdiction of the Government of Newfoundland and Labrador, and that we had already made this decision and here are the reasons we made it. In the Mayor's letter to me the only reason he gave was that the RCMP contract had gone up. He did not bother to go to the other reasons that we had given the city council, that it provides more jobs for Newfoundlanders, that it

has two competing forces, each making the other more efficient. So, Mr. Speaker, I apologize for nothing that I said to the Mayor of Corner Brook in writing or verbally. What we have tried to do for the city of Corner Brook over the last number of years is pretty substantial. And in the next couple of weeks, when we conclude the agreements with Kruger and with their banks and with Bowater and with the Government of Canada and with everybody else - negotiations are still ongoing at this moment - the Mayor of Corner Brook should thank his lucky stars that there is a government in St. John's, which perhaps the Mayor of Corner Brook thinks should be somewhere else, which happens to have in its Cabinet a minister from Corner Brook in the person of the Minister of Education (Ms Verge) and in its caucus the member for Humber West (Mr. Baird) and Bay of Islands (Mr. Woodrow), outstanding Newfoundlanders who have fought hard with the Cabinet and with me to ensure that we are going to have a very economically prosperous Corner Brook, and that they should be proud to accept Newfoundlanders as part of the law enforcement agency for that city.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Russell):

The hon. the member for LaPoile.

MR. NEARY:

A supplementary, Mr. Speaker. Mr. Speaker, I never in my life heard so many red herrings being dragged into an answer. The question is not who is going to comprise the personnel of the Newfoundland Constabulary or the RCMP. The question I put to the Premier involved the principle of gagging

the mayors and municipalities in this Province. Now, Mr. Speaker, obviously there is a war developing between the Premier of this Province and the city council in Corner Brook. It has been brewing for some time. Relations seemed to be strained recently in other negotiations. But let me ask the hon. gentleman what will happen in rural Newfoundland when the plans to expand the Newfoundland Constabulary are complete? Will the RCMP stay and service rural Newfoundland or will they pull out of Newfoundland altogether? And the second question for the Premier is in view of the remarks in his statement, and he shows no remorse at all for his nasty letter to the city of Corner Brook, none at all, would the hon. gentleman indicate to the House if the city of Corner Brook is now going to be punished, will they be punished financially or will they be punished in any other way by the hon. gentleman because they dared express a point of view to the Minister of Justice (Mr. Crosbie) for Canada? That is their right, they are autonomous in their own right, they were elected by the people in Corner Brook the same as the minister the hon. gentleman referred to and they are entitled to their opinion. Now will they be punished for expressing that opinion or will the hon. gentleman continue to try to gag the mayors and the municipalities in this Province?

MR. SPEAKER (Russell):

The hon. the Premier.

PREMIER PECKFORD:

In answer to the first part of the question, obviously the member for LaPoile (Mr. Neary) does not know what the plans are for the Royal Newfoundland Constabulary. Number

one, they were to extend the services of the Royal Newfoundland Constabulary on the Avalon out to around Holyrood, and also to take over the municipality of Mount Pearl as part of the metropolitan area of St. John's, and that has been done. The second phase was to have the Royal Newfoundland Constabulary become the main police force for enforcing provincial law, not federal law, obviously, just provincial law in Labrador West and that has been accomplished with a great deal of efficiency and I think they have been well accepted by the people of Wabush and Labrador City. We hear nothing only good reports back out of that move to Labrador West. And thirdly, it is to introduce the Royal Newfoundland Constabulary as the law enforcement agency for provincial law in Corner Brook. That is all the plans that the Government of Newfoundland has for the Royal Newfoundland Constabulary. Therefore, if that is all the plans that we have, obviously then the RCMP are going to remain in Lewisporte, are going to remain in Gander, are going to remain in Springdale, are going to remain in St. Anthony, and so on. That is all the plans that the Government of Newfoundland has had, we have made those public and we have stuck to our guns, if you will, as it relates to bringing in that schedule on time according to the plan that was announced by the Minister of Justice (Mr. Ottenheimer) a number of years ago.

Now, Mr. Speaker, the second part of the hon. member for LaPoile's (Mr. Neary) question deals with will we now punish Corner Brook because they have freedom of speech to speak out and say what they wanted to say. Yes, Mr. Speaker, we are going to punish

the City of Corner Brook and that whole area. We are going to punish them severely. We are going to make sure that the forestry personnel whom we transferred to Corner Brook to ease the blow when Number 7 machine shut down stay in Corner Brook even though there is a deferral on the Federal Forestry Station. Yes, we shall punish them.

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

Yes, Mr. Speaker, we shall punish the people of Corner Brook because we will leave no stone unturned even though we are into delicate negotiations this very hour with a number of people involved in the Corner Brook mill and its takeover, and we will go the extra mile and extra millions of dollars necessary to ensure that we have a modern, up-to-date paper mill in Corner Brook for Mr. Hutchings and his council.

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

Yes, Mr. Speaker, we are going to punish the people of Corner Brook. We shall punish them with prosperity.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Russell):

The time for the Question Period has expired.

Answers to Questions
for which Notice has been Given

MR. SPEAKER:

The hon. the Minister of Public Works and Services.

MR. YOUNG:

Mr. Speaker, I indicated yesterday that I would get some information for the member for LaPoile (Mr. Neary) and I would like to table that information - I heard him on the news today about it - concerning tenders for Burin Peninsula District Hospital.

Mr. Speaker, as indicated, there was a public tender called. There is information where the guidelines and the preferred bidder for the general contract is Olympic Construction Limited, the second lowest bidder. The guidelines are there and here is the copy, Mr. Speaker, of the letter we received from the Department of Development showing that Olympic was the preferred bidder. The joint venture of L.D. Fahey Construction Limited and Eastcan Limited was the lowest bidder but did not comply with our Local Preference Policy. The difference is something like \$131,000, Mr. Speaker. They had a provincial overhead allowance of 8.13 per cent and Olympic Construction Limited had an overhead allowance of 10 per cent. Here is all the information, Mr. Speaker.

MR. HICKEY:

\$131,000 on a \$12 million project.

MR. YOUNG:

No skulduggery whatsoever, Mr. Speaker, but honest, open and aboveboard.

Presenting Petitions

MR. SPEAKER:

The hon. the member for Eagle

River.

MR. HISCOCK:

Mr. Speaker, I rise to present a petition on behalf of the residents of Red Bay, Labrador. It concerns the Parliament in Ottawa and I hope the appropriate minister in this government will present it to the officials in Ottawa.

MR. BAIRD:

You can mail it at the post office.

MR. HISCOCK:

An hon. member said mail it, and that is the reason why I am presenting a petition on behalf of the majority of the people of the community of Red Bay.

The prayer of the petition, Mr. Speaker, is "We, the undersigned, do hereby protest any reduction of hours of service by the Canada Post Corporation in our community. We request that the hours be maintained as they are now," which basically is 40 hours a week but they are now reducing them to 30 hours.

In Labrador, where the weather is a lot more variable than other parts of the Province, they depend on aircraft to receive mail and delivery is only scheduled for three times a week, Monday, Wednesday and Friday in the South, and Tuesday and Thursday and Saturday in the North.

The letter that accompanied the petition reads, "The community of Red Bay is extremely upset by the proposed cutbacks in postal service. In a small isolated community the mail is a vital link to the outside; shopping, banking, and pay cheques are some of the essentials that must move via mail. These services are either

non-existent or very limited, no banks, poor choice in stores, outside employers, UIC, etc. This community depends on mail for its very survival especially in Winter when UIC payments keep people alive.

"Mail arrives only three times a week during the season, and poor weather sometimes interrupts the schedule. A cut in service will increase the difficulty of people getting items ready to send out by mail. If one plane is missed you have to wait at least two days for the next, longer if poor weather stops regular flights. Life in Labrador can be exasperating at the best of times when one is trying to communicate with the outside world. We do not need a heavier burden to bear. Our cross is big enough."

On behalf of the community of Red Bay I urge that this government do everything in its power to prevent these cutbacks and show that it is not insensitive to the needs and the problems of small isolated communities. And, as I said, Mr. Speaker, we should communicate with the Government of Canada concerning post office cutbacks in rural areas. The Government of Canada is always talking about regions, and here we have a region of our Province that is quite unique. If you have mail service cut down in Croque, or on the Burin Peninsula, or the Bonavista Peninsula, or the Northern Peninsula, you still get mail because it is delivered by vehicle. A similar reduction in service in Labrador, where the mail comes in by aircraft and the post office is only open, in most cases, when the mail is being delivered, would have much greater impact.

So I hope that the government here will petition the federal government and ask that Labrador be exempt from this reduction because of its geographical location and uniqueness. The Prime Minister of Canada should be aware of these needs. The government should ask the Prime Minister if the reduction in postal service will apply in Blanc Sablon, Long Point, and other parts of Quebec that borders on my district. That part of Quebec is Mr. Mulroney's district now. Is mail reduction going to take place in those areas are they just taking place in Atlantic Canada and not in Quebec?

So, Mr. Speaker, I for one support this petition. It very ably points out that mail is a vital link with the outside world in Labrador and any reduction of service would cause great disruption. And I hope, Mr. Speaker, that the government, in this new era of co-operation with the federal government, which continues to talk about the regions of Canada, having gotten rid of the centralist government of the past Liberal administration, this is an example where a specific region of Canada needs to be taken into account. And, Mr. Speaker, I ask again that this government do everything it can to make sure that this petition is presented to the appropriate minister in Ottawa and also to the Prime Minister, and ask the Prime Minister to exempt the North Shore of Quebec and Coastal Labrador from this reduction in postal service because of the very poor mail service we receive when we have poor weather. I ask, Mr. Speaker, that this be sent to Ottawa, conveyed to the Prime Minister, and be forwarded to the

appropriate minister.

MR. SPEAKER (Russell):

The hon. the member for LaPoile.

MR. NEARY:

Mr. Speaker, the hon. gentleman who so ably presented this petition on behalf of his constituents in Red Bay is absolutely correct. Mr. Speaker, what is happening in Canada today is that the new Tory administration in Ottawa is imposing Ontario philosophy on rural Canada, Mr. Speaker. And that is going to cause all kinds of suffering, inconvenience and pain to the people like my hon. colleague just described in Red Bay, just the same as it will cause all kinds of headaches and heartache and heartbreak to the people in Petites, in my district, in Grand Bruit and LaPoile, Grey River, McCallum, Francois, Ramea -

DR. COLLINS:

He said Labrador is unique.

MR. NEARY:

My hon. friend said Labrador is unique, somewhat like the South Coast, inasmuch as they are remote. They have something in common. They are remote communities.

MR. CARTER:

They are not unique.

MR. NEARY:

They are unique. You can only get there by boat or by plane. In that sense, LaPoile and Grand Bruit and Petites and Grey River and McCallum, Francois, and Ramea we will adopt them because they do have a lot in common with the communities in Northern and Southern Labrador.

But, Mr. Speaker, what I started

to say was this Ontario philosophy that is being imposed on the people in rural Canada, especially right here in Newfoundland where fishery and everything else is a disaster. It is going to be a disaster for rural Newfoundland, Mr. Speaker, the ideology that Sinclair Stevens, the shoehorn minister, and Mr. Michael Wilson trying to grab a few dollars to help them balance the federal budget out of the hides of old age pensioners, people on unemployment insurance, people who receive the family allowance, who depend on these cheques for survival. Not only that, but their Christmas shopping in a lot of cases is done through the catalogue and some children may not even have their presents for Christmas. There may be nothing under the tree this year as a result of these cutbacks.

MR. TULK:

That is right.

DR. COLLINS:

You are exaggerating.

MR. NEARY:

No, I am not exaggerating. Because you also have to take into account weather conditions when the planes do not fly and the ships do not operate. Now say the mail gets in at midnight Friday night, people cannot get their cheques or their parcels until Monday with these cutbacks. And if you have a long weekend they will not get them until Tuesday. Christmas could be over before they can get their parcels and their cheques out of the post office.

Now, is that the gratitude, is that the appreciation, is that the thank you, is that how grateful the Tories are for getting this sweep across Canada, that they are

going to put the gears to the people in rural Canada, especially in the rural parts of this Province, Mr. Speaker? It is shameful. They should reconsider their decision, review it and reconsider it and reverse their decision, because it is going to be fatal and disastrous for people who live in the rural parts of this Province.

I support the prayer of the petition, Mr. Speaker. And I hope that other members will raise the matter in this hon. House and communicate our objections and our complaints to Ottawa about this matter hoping that the Bay Street boys will come to their senses up there. They are looking at Newfoundland from the vantage point of Wellington Street in Ottawa and that is not good enough. That is no way to treat the people of this Province.

MR. SPEAKER (Russell):

Before calling Orders of the Day, I want to make a ruling on the matter that was raised some days ago by the hon. member for Burin-Placentia West (Mr. Tobin). It was on a point of privilege with regard to statements that were alleged to have been made by the hon. Leader of the Opposition (Mr. Barry) when presenting petitions.

I have had a chance now to look at the transcripts of the debate and certainly there was no prime facie case established. Obviously there was a very great difference of opinion between two hon. members.

Orders of the Day

Motion, the hon. Minister of Finance to introduce a bill, "An

Act To Amend The Financial Administration Act, 1973," carried. (Bill No 45).

On motion, Bill No.45, read a first time, ordered read a second time on tomorrow.

Motion, the hon. Minister of Justice to introduce a bill, "An Act To Amend The Companies Act,"carried. (Bill No.53).

On motion, Bill No. 53 read a first time, ordered read a second time on tomorrow.

On motion, a bill, "An To Amend The Occupation Health And Safety Act", read a third time, ordered passed and its title be as on the Order Paper. (Bill No. 18).

On motion, a bill, "An Act To Amend The Boiler, Pressure Vessel And Compressed Gas Act", read a third time, ordered passed and its title be as on the Order Paper. (Bill No. 2).

On motion, a bill, "An Act Respecting The Award Of Bravery", read a third time, ordered passed and its title be as on the Order Paper. (Bill No. 25).

On motion, a bill, "An Act To Incorporate The Certified General Accountants Association of Newfoundland", read a third time, ordered passed and its title be as on the Order Paper. (Bill No. 47).

On motion, a bill, "An Act To Amend The Medical Act, 1974", read a third time, ordered passed and its title be as on the Order Paper. (Bill No.51).

On motion, a bill, "An Act To Amend The Dispensing Opticians Act", read a third time, ordered passed and its title be as on the

Order Paper. (Bill No.7).

On motion, a bill, "An Act To Repeal The Gander Development Corporation Act, 1975", read a third time, ordered passed and its title be as on the Order Paper. (Bill No. 14).

On motion, a bill, "An Act To Amend The Livestock Act", read a third time, ordered passed and its title be as on the Order Paper. (Bill No.4).

On motion, a bill, "An Act To Amend The Judicature Act", read a third time, ordered passed and its title be as on the Order Paper. (Bill No. 21).

Motion, second reading of a bill, "An Act To Provide For The Calling Of Tenders For The Execution Of Public Works And The Acquisition Of Goods And Services By Government Funded Bodies." (Bill No. 40).

MR. SPEAKER (Russell):
The hon. Minister of Public Works and Services.

MR. YOUNG:
Mr. Speaker, it gives me great pleasure to move second reading of this act. This act was first introduced in 1974. It became the first piece of legislation of its kind in this Province and it was introduced by none other than the present House Leader (Mr. Marshall) and President of the Council. While this new act maintains the intent and thrust of the original legislation, the act has been strengthened considerably to reflect the recommendations of the Mahoney Commission of Enquiry report.

Mr. Speaker, the main purpose of the act is that it will ensure

that the vast majority of goods and services purchased by government and by government funded bodies are obtained at the best possible prices and it will ensure stewardship of the public funds.

The new act, Sir, will make those government departments and agencies who use it more accountable than every to the public for the spending principles.

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

MR. BARRY:
Is that the minister's presentation?

MR. MARSHALL:
The minister will have lots of erudite comments to make to your questions.

MR. BARRY:
Mr. Speaker, this bill will formulize an approach to the calling of tenders for the acquisition of goods and services by government funded bodies. That includes the departments of government. It includes Crown corporations, 'a company in which not less than 90 per cent of all the issued common shares are owned by Her Majesty in right of the Province, a corporation established by an act under which the corporation is made an agent of Her Majesty in right of the Province; a municipality.' It does not include the Marystown Shipyard Limited or NORDCO Limited. I would like to know why that is. I do not believe - I may be wrong on this because the act has been changed a number of times - Newfoundland Hydro is an agent of Her Majesty in right of the Province. I wonder if the

minister would indicate whether this act will apply to Newfoundland and Labrador Hydro Corporation which has a very extensive amount of work that is normally involved? And when we get to the Committee stage we will get some clarification on this. Hydro, I know, was, at one time, in one draft of the act, not an agent. I do not recall what the most recent act provides in this respect. We will check it out.

Mr. Speaker, generally, we support the concept, naturally, of a Public Tender Act. We have some concerns, however, about the way in which the public tenders are qualified. I guess we have another bill on the Order Paper, Bill No. 41, which relates to this, which is the act setting out the formula for the calculation and consideration of the provincial content factor. Now our concern, Mr. Speaker, is in the discretion which it seems is contained in various parts of this act which would permit Cabinet to award tenders to other than the lowest tender.

The object is to recognize whether or not a company is making a significant contribution to the Province and whether that should be recognized in the awarding of the tender. And again, this is something that can be clarified at the Committee stage. But for a time government was applying a factor of, I think, 15 per cent. What is the effect of these two bills now? What are we looking at in terms of how much extra will the taxpayer provide to corporations in order to recognize the fact that they are employing Newfoundlanders or maintaining an office in the Province and so forth? It seems to me that there has to be a clear limit. Are we

going above the 15 per cent now in some cases under this bill? Can the minister clarify that in the way that this new formula will work?

The question has to be: How much extra should government be prepared to pay to recognize the fact that a particular company is providing employment for Newfoundlanders, is carrying on business in Newfoundland, purchasing supplies and so forth? This may be more relevant in the discussion of Bill No. 41 than of Bill No. 40, but the two are tied together because we do have a provision in this act for the awarding not to the lowest tender, as the minister referred to it yesterday, to the preferred tender. What section is that? The preferred bidder is defined in Section 2 (e). It means the preferred bidder as determined under The Provincial Preference Act. Now the concern, Mr. Speaker, has to be to what extent, when government becomes involved in awarding to other than the low tender, is government giving itself a discretion and to what extent is government then permitting a situation to exist where, for political consideration, a contract can be given to someone other than the lowest bidder. This is something that we have to be concerned about, I believe. And as we go through the act at Committee stage there are a number of clauses where I question whether Cabinet is not being given too much discretion and discretion which could end up in being utilized for an improper purpose, a discretion which could permit an award of a tender for other than the reasonable considerations which are set out in The Provincial Preference Act.

Now I understand my colleague for LaPoile (Mr. Neary) has some concerns and questions as to whether there should be any recognition in terms of a corporation as opposed to an individual, I suppose -

MR. NEARY:

Hiring and purchasing are two different things.

MR. BARRY:

- that while local preference should be taken into consideration in hiring, my colleague from LaPoile feels that perhaps there should be a distinction with respect to the purchasing of goods and services. Well, this is something that I can understand the member for LaPoile's concerns when it is translated into the notion of profits for corporations, dollars for a business as opposed to employment for individuals. However, I tend to believe that if we can, without, again, it costing the taxpayers too much, maintain profits within the Province as opposed to having the profits going outside the Province that this is a good thing. I prefer to see a corporation making profits on government business and those profits staying within the Province rather than going outside. And also I believe that there is the opportunity for encouraging the development of business and industry from the fact that government is purchasing from local business and from local industry. That is something that could permit a small business probably to get on its feet more quickly in this Province than otherwise. But we should not fool ourselves about the risks that are inherent in this approach and the fact that other provinces can hurt Newfoundland companies by taking

the same approach because it is something that swings both ways. When a Newfoundland company now tries to sell to the Government of Nova Scotia or New Brunswick or PEI, or any other Canadian province, that Newfoundland company is going to be less likely to get the business than if we did not have this system in place in this Province.

I tend to believe that there has been a local preference, often an under-the-table local preference present in other provinces and therefore I am less perturbed by our continuing to move in this direction and formalizing it in legislation. I believe that is a more honest approach, to spell it out. But I am concerned, Mr. Speaker, with the provisions that as we go through at the Committee of the Whole stage I will point to, that seem to give excessive discretion to Cabinet, discretion which could be misused and which could permit the awarding of tenders for improper purposes. And there is also the problem that the regulations to a large extent can modify the way in which this system will work, and particularly moreso I believe with Bill 41, and we will deal with that in a little while, but moreso with Bill 41 it seems that there are wide-ranging regulations which can go a long way to giving government a free hand in terms of how it awards tenders. And I believe that we have gotten away in this Province, and properly so, from excessive patronage. I do not say that we have gotten away from patronage, I say that we have gotten away from the excessive patronage that at times we experienced in the past. The history of Newfoundland and Labrador over the last several hundred years has not been good with respect to the approach of

government to the awarding of tenders. I believe that the Province has been moving in the right direction but there are still problems which occur and which will reoccur particularly if the legislation permits government to exercise a political discretion. And my colleague from LaPoile (Mr. Neary) will have a very busy time with his chairmanship of the Public Accounts Committee, I am sure, keeping a close eye on how government awards its contracts, awards its tenders. It will be more difficult to police, Mr. Chairman, if the language of legislation such as this is so loose that it permits discretion. And those are my main concerns. I think that the act has to be tightened up, Mr. Speaker. I am not sure that we can support it in the loose fashion that it is now drafted. But if we can see it tightened up then in principle I believe it is a good thing for the encouragement of local businesses, it is a good thing for government to support local enterprise. We have to recognize that we are paying a price, that the taxpayer is paying a price when he does this, but as long as there is a clear limit set on how far government can go on a particular contract I believe that in principle as long as we recognize there is that price and set a limit as to how high that price will be, the premium that we will pay for the support and encouragement of local industry, then I do not think there is anything fundamentally wrong with the approach. But we will have to see various clauses of this act tightened up before we can support it.

MR. SPEAKER (Aylward):

The hon. the member for LaPoile.

MR. NEARY:

Mr. Speaker, the Minister of Public Works (Mr. Young) can leap to his feet now all he wants, but, Mr. Speaker, this is a matter that should be debated at great length because what the administration there opposite is doing is that they are watering down and weakening the Public Tendering Act that the present President of the Council (Mr. Marshall) hailed as the Magna Carter of tendering in Canada. The hon. gentleman likes to get up and gloat and boast about the Public Tendering Act in this Province, but what they have been doing in recent times is watering it down and weakening it, Mr. Speaker, and they have been playing little cute games in secret down on the eighth floor in the Cabinet Room. We saw an example of that yesterday when I asked the Minister of Public Works a question about who was the lowest bidder on the \$12 million contract for the Burin Hospital. And they found a way, Mr. Speaker, the administration found a way to give that contract to one of the biggest Tory fund raisers in the Province. They found a way and if it was not the overhead, the minister told us the overhead factor for Fahey was 8.13 and the overhead factor for Olympic Construction Limited was 10. And then he gets up and he says it is only one hundred and some odd thousand dollars. Well, that is one hundred and some odd thousand dollars that the widows and orphans and little children in this Province have to give to Mr. Dobbin's company, the big Tory fund raiser.

MR. WARREN:

To keep the hospital open in Come By Chance?

MR. NEARY:

Yes, Mr. Speaker, that \$100,000 could keep that hospital open in Come By Chance. They are either closing things down or they are trying to weaken legislation and weaken the laws in this Province. They started with the steel mill up at the Octagon and they went all the way to Labrador Linerboard, then Come By Chance oil refinery and now they are closing down their hospital. And I have to say this, Mr. Speaker, that that hospital has a reputation unequal in this Province of looking after trauma cases, accidents along the highway. Where is the first place they are taken? Come By Chance.

MR. REID:

They will soon have a better place, boy.

MR. NEARY:

Yes, they are going to have a better place! If you have anything to do with it you will probably move the whole population out of Come By Chance. They will go out with the hon. gentleman's bulldozer and bulldoze everything down.

MR. REID:

And give them something better.

MR. NEARY:

Yes, you are going to give them something better, all right. That is why the delegation are in today fighting for their rights, fighting for survival, Mr. Speaker.

Mr. Speaker, we see the arrogance of this administration. We see Napoleon over there with his arrogance, shutting everything down, amending acts.

MR. TULK:

Who is that?

MR. NEARY:

Napoleon? Well, we all know who Napoleon is, Mr. Speaker. Changing laws, closing everything down, listening to nobody, paying attention to nobody, ride roughshod over the people of Come By Chance and the people of the City of Corner Brook. My hon. colleague here is doing such a fine job they get up and ridicule him day in and day out for fighting for the rights of his constituents. Mr. Speaker, it is shameful. The arrogance of this administration is shameful. They are imposing urban thinking on rural Newfoundland. They want to have the best in St. John's, the very best. They have ten or eleven members in here looking for patronage for their friends, and everything has to go to St. John's, but close everything down in rural Newfoundland. And the hon. gentleman is the king of them over there, a townie, a corner boy. Mr. Speaker, they have got ten or eleven members in the City of St. John's and I believe five or six out of the eleven are in the Cabinet and that is why Come By Chance and the other places are getting shafted by this administration, they cannot see outside the Overpass down there at Donovans. Mr. Speaker, when they cannot get their own way, when they are challenged by the Comptroller General or the Auditor General, who are two servants of this House, when they are challenged and it is pointed out to them that they are cheating, that they are making decisions down on the eighth floor in private and in secret they bring in another bill. Mr. Speaker, we would have never known about that contract if I had not asked about it yesterday. Now they are bringing in another bill, Mr. Speaker. They are getting greedy

now, they are not satisfied just to give out contracts.

MR. YOUNG:

Tell us how you used to do it when you were in government.

MR. NEARY:

I do not believe I was ever Premier of this Province, I do not believe I ever ran an administration, not that I would not like to, Mr. Speaker.

MR. YOUNG:

You spent \$240,000 on Bell Island.

MR. NEARY:

What the hon. gentlemen are doing now, Mr. Speaker, they are not satisfied, they are getting greedy. They are not satisfied just to award contracts directly paid for out of the public treasury. Now they want to include Farm Products, the Bay St. George Community College, the College of Trades, the Grace Hospital, the Grand Falls Hospital, Harmon Corporation, Health Sciences, Hotel Buildings Limited, Memorial University - how are they going to get away with that? They will be accused of intruding on academic freedom - Public Libraries, St. John's Infirmary, Technical College, Vocational Schools, Worker's Compensation. They want to make sure now that if there is either little bit of patronage on the go at all, if there is either little bit of favoritism to be doled out, they want to make sure now they have control of it all because that is the name of the game, Mr. Speaker. They want to control the patronage, that is what they are doing, let nobody be fooled. I hope nobody in this House is being deluded into thinking that they are doing this for the ordinary Newfoundland people, Mr. Speaker.

What they are doing in no way benefits the Newfoundland people, if it did I would agree with it. Mr. Speaker, I hope the hon. the member for Trinity - Bay de Verde (Mr. Reid) is not being deluded into thinking that this is the local preference hiring policy we are talking about. It has nothing to do with that in any way, shape or form. If the government wanted to they could award a contract to anybody, any construction company and have it written into it that they have to hire local people, but that is not what it is all about. It is not about purchasing goods either where you are allowed a 10 or 15 per cent variation in the price of material and supplies. That is not what we are talking about either. We are talking about a cute little way, a sneaky way to dole out the patronage to your followers and your supporters. That is the name of the game, Mr. Speaker. That is what we are talking about here and let nobody be fooled into thinking that it is anything else but that. They will find a way, Mr. Speaker. I tell you something that has concerned me for some time about the Public Tendering Act, and the Auditor General raised the matter. We have had enquiries, we had the Mahoney Commission of Enquiry into it, but what worries me are the stories that I get and the letters that I get about the devious, sneaky little ways that they find in doling out the contracts to their buddies and their pals. Mr. Speaker, do you think for one moment that the Tory bagmen are suffering because we have a Public Tendering Act in this Province? Does the hon. gentleman believe that? If he does he must be awfully naive. I am talking to the new member for Terra Nova (Glenn Greening).

MR. YOUNG:

There are no Tory bagmen.

MR. NEARY:

There are Tory bagmen and the Tory bagmen pay the Premier or they did up to several months ago, apart from his salary as Premier and in the House of Assembly, Mr. Dobbin collected the money to pay the Premier \$500 a month from the Tory party.

MR. YOUNG:

You are jealous, that is all.

MR. NEARY:

I am not jealous.

Mr. Speaker, that is awfully close and awfully dangerous. It is too close for comfort in my opinion and the hon. gentlemen can get up and say that I am oversuspicious but when I see Mr. Ryan and Mr. Dobbin cavorting around with the Premier and then they find ways to make sure that Mr. Dobbin's company gets a contract for \$12 million, it makes me awfully uncomfortable. Maybe it is my dirty mind.

Mr. Speaker, I am not at all happy. I am going to vote against this bill on a matter of principle.

Where is the President of the Council (Mr. Marshall)? When he brought this bill into the House - the President of the Council I believe introduced the bill - he hailed it as the greatest piece of legislation since Confederation, but while the administration there opposite is weakening and watering it down and knocking the props out from under it, I do not hear a peep out of him, not a word, not a sound. All of a sudden he becomes mute. Why? Is he getting complaints from his lawyer friends or his Tory pals that they are not

getting enough business from the government? Is that why he has clammed up all of a sudden?

MR. TOBIN:

Why do you always pick on lawyers?

MR. NEARY:

Mr. Speaker, why do I pick on them? That is another story.

Mr. Speaker, they will find a way, I know, to force this piece of legislation through the House by brute force, forty-three against nine. I hope my colleague the hon. the member for Menihek (Mr. Fenwick) does not vote for this kind of a devious bill that we have before us. I am sure he will not as a man of principle.

MR. TOBIN:

How is your party voting?

MR. NEARY:

I do not know. I think the Leader of the Opposition (Mr. Barry) indicated how we are voting. The hon. gentleman should have listened to the wisdom of my colleague. My colleague stated, and I repeat what he said, that we are all for local people benefiting by anything that is being paid for out of the public treasury but who is going to a benefit by this? Who, I ask the hon. gentlemen?

MR. TOBIN:

The people on the Burin Peninsula.

MR. NEARY:

The people on the Burin Peninsula have nothing to do with it. The people of the Burin Peninsula are glad to get their hospital, and more power to them, they are entitled to it and nobody is taking the money out of his own pocket and paying for it for them. I will tell you who is

going to benefit by this, Mr. Speaker, it is the shareholders of the company. What difference does it make if the taxpayers save \$1 million? That is the important thing, to protect the taxpayers' dollars. If the taxpayers can save \$100,000 to keep Come By Chance Hospital opened or the taxpayers of this Province can save \$500,000 or \$1 million or a couple of million dollars, what is wrong with that, Mr. Speaker? Are we going to give it to those who invest in Florida and put their money in the banks in Switzerland, who will not invest or re-invest in this Province unless they go to the public trough for their guarantees and their handouts that they have been getting? Mr. Dobbin is a ringleader in that. Mr. Speaker, this is a very dangerous thing we are doing. We are putting too much authority and too much power into the hands of the Cabinet so they can go down on the eighth floor and carve up the turkey to suit themselves, the Minister of Public Works (Mr. Young) or any minister, the Minister of Development (Mr. Windsor). I had to laugh when the Minister of Public Works said today, 'I had a letter from the Department of Development saying this was okay, this was preferred.'

MR. YOUNG:
I never said that.

MR. NEARY:
Mr. Speaker, the hon. gentleman now is going off to the far East with his entourage, going over, Mr. Speaker - what do you call these things? - the rickshaws. The hon. gentleman will be over in the rickshaws now before Christmas with his entourage, he and the Minister of Transportation (Mr. Dawe).

MR. TOBIN:
Guess who else is going with them?

MR. NEARY:
I would not be a bit surprised. The hon. gentleman went off on a trip before paid for by the Marystown Shipyard. Mr. Speaker, the minister should tell this House, he should give the House the specific names of all those that will be accompanying him on this far Eastern trip and the purpose of the trip. And why was Mount Pearl chosen over all the rest of the municipalities in Newfoundland? Why Mount Pearl? Why not Come By Chance? Why not Marystown? Why not Port aux Basques?

MR. WINDSOR:
They were all invited.

MR. NEARY:
They were all invited. I see. And Mount Pearl was the only one that could be motivated and encouraged.

MR. WINDSOR:
Exactly.

MR. NEARY:
Oh, I see. Mr. Speaker, the hon. gentleman can pour water in the other ear now and try to tell me it is raining. What foolishness, what silly nonsense. Now if Come By Chance only had what it is going to cost for them to go over and ride on a rickshaw in Tokyo and Hong Kong they would have something.

MR. WINDSOR:
It is not costing a cent.

MR. NEARY:
It is not costing the taxpayers a cent to send the hon. gentleman and the Minister of Transportation (Mr. Dawe) off to Asia?

MR. WINDSOR:

Are you talking about me now or the representatives?

MR. NEARY:

I am talking about the hon. gentleman. The hon. gentleman, I would say, has travelled more than all the other ministers put together. I would say he has been around the world about ten times. He is around the world so often he is getting giddy.

MR. TOBIN:

That is his job.

MR. NEARY:

Yes, that is his job alright. The Winter is coming on now, the weather is getting cold here, so now they have to get over in their rickshaws, over in Asia, and have a little saki while the poor old suckers, the poor old natives in this Province are buckling down under the snow, struggling for their survival, Mr. Speaker. I guarantee any travelling that I have ever done was paid for by me and not by the taxpayers.

MR. WINDSOR:

I hope Hansard got that.

MR. NEARY:

I am not a parasite, I do not leach off the taxpayers like the hon. gentleman is doing. Around the world about ten times I would say, easily around the world ten times.

MR. BARRY:

Around more than Garneau.

MR. NEARY:

Yes, more than Marc Garneau. I wish Mr. Marc Garneau was here today because the hon. gentleman has piled up more mileage than Marc Garneau.

MR. WINDSOR:

Would the hon. gentleman permit a question?

MR. NEARY:

The hon. gentleman should tell us why there are so many persons needed for that trip. But anyway that is beside the point, Mr. Speaker. I want to come back to this bill, this evil piece of legislation that we have in front of us today. It is evil, that is what it is. It is just as evil - I am not allowed to say that, I presume, so I will not say it. Mr. Speaker, I am not going to get into a hassle with the hon. gentleman, get down in the mud and roll with the hon. gentleman. It is an evil piece of legislation and it is designed for one purpose and one purpose only, the rich will get richer and the poor will get poorer as a result of this. The poor old taxpayers will be shafted again and those who invest their money in condominiums in Florida and buy property in the Bahamas and the West Indies and go of to Switzerland and open up their bank accounts, Mr. Speaker, those are the ones who will benefit by it, because, Mr. Speaker, to say otherwise would be foolish. Because the owner of this company, the principal of this company, even though he will make a substantial profit from this contract, will be back in a short while at the public trough looking for another loan, a guarantee as he did in the case of Easteel and Metalcraft and a number of other companies. I have a tendency to check these companies when I see the loans and guarantees and it is not the first time the name of the principal of this company has turned up on loans and guarantees.

MR. TOBIN:

You do not like the Public Tendering Act because you were never used to it.

MR. NEARY:

Mr. Speaker, if we are going to have a Public Tendering Act, let us have it. Let us not open it up for abuse, let us not open it up for secrecy and privacy and things done confidentially down on the eighth floor or down in the minister's office.

MR. WINDSOR:

That is not true.

MR. NEARY:

It is true. Mr. Speaker, I get complaints from suppliers all over this Province complaining about it. I will give the hon. gentleman one example of the kind of complaints that I get.

MR. BAIRD:

The only complaint that you get now is the Summer complaint.

MR. NEARY:

The complaint that the hon. gentleman has is foot and mouth disease.

Now, Mr. Speaker, the complaints that I get are these, just to give the House an example. When the hon. gentleman writes a tender and he wants to buy a piece of equipment, let us say it is a skidoo or let us say it is chain saw, and they want that contract to go to a specific supplier, what do they do, Mr. Speaker? They write the description of that chain saw or that skidoo to suit that supplier, either nobody else can bid on it or they are wasting their time bidding on it. The hon. gentlemen will write descriptions, or get his cronies to write descriptions so that you can almost tell when you look at

the tender you are talking about a Honda or you are talking about a Suzuki or you are talking about a certain type of chain saw. All you have to do is read the tender call, Mr. Speaker, and you know that that piece of equipment can only be purchased at So-and-So and they can tell you the brand name of it. The other night when I was at a father and son banquet, the man sitting down beside me was telling me the same story. I promised him the first opportunity I had I would raise it in the House and we got the opportunity today. He was complaining because he had a better machine with all the safety gadgets on it, by the way, whereas the one the hon. gentleman's purchasing department bought had no safety specifications that are mandatory by the Department of Labour. The hon. gentleman went out and bought one with no safety guards on the chain saw because he wanted his buddy, his friend, his pal, a supporter of the party to get the contract. So they gave him the contract and they bought seventy or eighty chain saws with no safety guards on them.

MR. BARRY:

Who did that?

MR. NEARY:

Government Purchasing. Now, Mr. Speaker, can you imagine the contracts that will be doled out now with Newfoundland Hydro? Hydro is contained in the schedules of this Act. Can you imagine the patronage and the graft that is going to emanate from that source? Mr. Speaker, in this business, which is a pretty delicate and touchy business, a wink is as good as a nod, all somebody has to do is indicate to the Minister of Public Works (Mr. Young), or he to his officials,

who they want the contract to go to and that is it, it is as good as done. Laws are full of loopholes. You can drive a truck through some of them.

MR. YOUNG:

I do not break the law and that is what you did.

MR. NEARY:

Mr. Speaker, the hon. gentleman, half the time, does not know what he is doing. In his simplicity, I suppose, he thinks he is the one who awards the contracts.

MR. YOUNG:

That is what you said I did.

MR. NEARY:

It is the Premier and his cronies. The administration is the Premier and his cronies.

We were led to believe that in this public tendering, that the motivation, the bottom line in the Public Tendering Act was that the taxpayers would benefit, the taxpayers would save. And now they are over there protecting the rights of the Tory bagmen, the rich people, the business people.

MR. CALLAN:

It is going to cost an extra \$132,000.

MR. NEARY:

Let me repeat, I am all for Newfoundlanders getting the benefit of money that comes out of the public treasury. And if the government wanted to protect the hiring, they could have written a clause into the agreement, Mr. Speaker, but that is not what they are doing. Or, if they wanted the successful bidder to purchase locally, they could have written that into the agreement. But that is not what we are talking about,

Mr. Speaker, not what we are talking about at all. We are talking about an administration that is protecting the shareholders, the principals of these companies, these contracting firms, that is what we are talking about, and I am against that. I am not going to vote for this bill. I am not going to sit over here after all the garbage, rubbish and rhetoric that we heard from the Yahoos on the other side about this great Public Tendering Act.

MR. STAGG:

'Yahoos' is unparliamentary.

MR. NEARY:

No, it is not unparliamentary.

MR. STAGG:

It is unparliamentary.

MR. NEARY:

Well, ask the Speaker. I have been here long enough now to know when I am parliamentary and when I am not.

Of all the sarcasm that we heard from the member for Stephenville (Mr. Stagg), sardonic, sarcastic, Mr. Speaker, of all the criticism we heard from the clones there opposite about what a great thing this Public Tendering bill is, now we find they are weakening it and watering it down and, Mr. Speaker, they are doing that at the expense of the taxpayers of this Province. Hon. gentlemen cannot defend the indefensible.

Mr. Speaker, if you opened up public tendering to all companies, no more money would leave this Province. I know the hon. gentleman is going to get up shortly and drape himself in the flag.

MR. STAGG:

The hon. member is dreaming the impossible dream.

MR. NEARY:

They may as well take the Gander Development Corporation off that list, they have disbanded it now. They do not know what they are doing, Mr. Speaker.

No more money will stay in this Province or leave this Province if public tendering is wide open for everybody. The hon. gentleman will get up shortly, drape himself in the flag, try to show how patriotic he is, saying he wants to keep the money home.

MR. STAGG:

That is the flag you voted against, is it not?

MR. NEARY:

We are sure to keep the money home with some of the characters we are dealing with here, who cannot get it into bags fast enough to get it down in Nassau or over in Switzerland or to buy a waterfront property down in Granada, Mr. Speaker, and come back then and say, 'Look, we are in trouble with this company or that company - we would like to get a loan or a guarantee from you.'

Mr. Speaker, that is all I have to say about this bill. I hope my colleagues, with their experiences, with the complaints that they have had, will reinforce some of the things that I have said. I know I am right. Mr. Speaker, I know in my heart I am right.

Mr. Speaker, what we are finding more and more in this House is that when complaints come in from the Auditor General or from Commission of Inquiry or from the

Comptroller of the Public Treasury, and they do not like it, they figure they have been caught with their hands in the cookie jar, what do they do then? They bring in amendments to the legislation. And I hope, Mr. Speaker, that other members will take a good crack at the administration for that kind of a policy.

MR. SPEAKER (McNicholas):

The hon. the Minister of Development.

MR. WINDSOR:

Mr. Speaker, I just want to take a few moments to respond to some of the points that have been made this afternoon.

Let me first of all point out what is wrong here. The hon. gentlemen opposite are still seething from the fact that it was this administration, this government, that brought in the Public Tendering Act in the first place. The party to which hon. gentlemen opposite belong did not have the courage to bring in a public tendering act. You no longer today, Mr. Speaker, see contracts being awarded on the basis of cost-plus. You do not see the contracts going out to buddies the way we used to under the previous regime. The fact of the matter is, Mr. Speaker, it was this party that brought the Public Tendering Act into this Province and it was this party that cleaned up all of the graft and corruption that took place in this Province for twenty-three years.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

Why are you tampering with it now? Leave it alone.

MR. WINDSOR:

Mr. Speaker, the hon. the Leader of the Opposition might as well sit down in his seat because he is going to need to hear this. The fact of the matter is, when we talk about local preference, it was the hon. member who was Minister of Development when that was brought in. This is his piece of legislation. The fact of the matter is, we do not know what the position is opposite, Mr. Speaker. Is the member for LaPoile (Mr. Neary) speaking for the party or is the Leader of the Opposition speaking for the party?

You support local preference? You should tell that to the member for LaPoile. He obviously does not support local preference, Mr. Speaker, he obviously does not support the fact that literally hundreds of thousands of dollars of work have gone to companies in this Province as a result of the fact that we have a provincial preference policy.

MR. BARRY:

(Inaudible).

MR. WINDSOR:

The hon. the Leader of the Opposition questioned the fact of NORDCO and Marystown. Let me answer that question for him. The reason that NORDCO and Marystown were excluded, Mr. Speaker, is simply that they are competing on an international market and we have to do business where and when we can get, in many cases, the materials, and in some cases, in the case of NORDCO particularly where they are doing joint ventures with international companies, it is obviously not possible to include those international companies as part of local preference, so they have been excluded then, regretfully.

It would certainly be our preference to have NORDCO and Marystown included as well, but it is simply not possible to do so. As well, of course, where there is federal funding particularly going into - or there was - into NORDCO and there are federal contracts, then NORDCO has to be allowed to compete in the open market. Because, and I say it without any hesitation, Mr. Speaker, both of those companies now are self-sufficient companies that are not receiving government subsidy and that are competing in the open market the same as is the case of NORDCO or any other consultant and as is the case of Marystown Shipyard, as is any other major steel fabrication industry. I am very pleased indeed, Mr. Speaker, that both of those companies are doing quite well financially over the last couple of years.

I would point out to the hon. the Leader of the Opposition (Mr. Neary), Mr. Speaker, re his question on Newfoundland Hydro, if he had read the bill, the bill states quite clearly that Hydro is included in the schedule.

MR. Speaker, I think the Leader of the Opposition (Mr. Barry) also questioned whether or not we would be giving 15 per cent preference. The hon. gentleman knows, I am sure he does, because he designed this, in fact. I recall when he introduced this whole concept to government. It was accepted by government and I think it was a good concept and I congratulate him for the work that he did when he was a member of this administration on the Local Preference Act. The fact of the matter is that it is a factor of 1.5, which governs - in other words, the difference of the benefit to the cost must be a

factor of 1.5 or greater in order to apply to qualify for local preference. This is obviously the case in the case that has been used as an example here to cloud the issue of trying to bring forward improvements to the Public Tendering Act. In due course, no doubt, we will get on to the Provincial Preference Act and I think there are significant improvements there, Mr. Speaker. Far from what the hon. gentleman from LaPoile (Mr. Neary) is suggesting, watering down the Public Tendering Act, what we are doing is putting in legislation that we have not been able to enforce without it and that is that all government funded bodies, with the exception of Marystown Shipyard and NORDCO, will now be bound by the Public Tender Act. Up to this point in time we could not force school boards to use the Public Tender Act, could not force municipalities to use it, now Mr. Speaker, they will all be bound. So it is just the opposite from what the hon. gentleman says, that we are trying to water it down. What we are doing is broadening it so that it encompasses all government funded bodies. That, Mr. Speaker, I think will be an immeasurable benefit to the Province.

Now, Mr. Speaker, let us have a look at provincial preference. I would prefer to bring it up under the next piece of legislation but since the hon. gentleman from LaPoile (Mr. Neary) says to us, "Well, there is really no benefit, and people in the Province are against the Local Preference Act," Mr. Speaker, he is no more in contact therefore with business and industry in this Province than he is with the people of his own district. The fact of the matter is, Mr. Speaker, that this

particular act, this particular policy of government has been extremely well received and it has been extremely beneficial to a number of companies in the Province.

Let me give you some statistics, Mr. Speaker. Hon. gentlemen opposite I think might be interested in this. This is up to October 31, 1984, 286 contracts have been affected by provincial preference policy. The total value of those contracts was \$36,134,509, \$36 million, Mr. Speaker. The cost to government of implementing our provincial preference policy has been \$1,065,236, that is what it has cost us over and above the low bidders on those 286 contracts in total. Variance in the cost, Mr. Speaker, is 2.9 per cent. 2.9 per cent is what it cost us. The benefit in additional money that stayed in this Province, that benefitted the economy of this Province, and that is just directly, that is not to mention the indirect benefit because many of these contracts went to very small companies, that if they did not get significant amounts of government business because of the impact of the provincial preference policy, they probably would not be surviving at all. So the amounts of money that are involved here may themselves not be great for those particular companies but they may well be the key that keep those companies viable to do many other contracts in the Province for private business.

The benefits, Mr. Speaker, to date, on \$36 million is \$3,675,699. The provincial content factor on the average is 3.45, so where our policy states that the factor must be 1.5 or

greater, on these 286 contracts to date we have an actual benefit factor of 3.45, more than 3 times what we consider as being the minimum that would be acceptable in order to apply local preference.

So, Mr. Speaker, I will expand on provincial preference in due course as we get into that particular piece of legislation. Before I sit down, let me address the question of the upcoming trade mission to Asia. My colleague and I, Mr. Speaker, can say that it has been welcomed by business and industry in this Province as a very far-sighted move. I might add that the Province of Prince Edward Island is presently in Japan. I might add that the Province of Nova Scotia will be going over at the same time as we will be. We will be participating in a Canadian Offshore Gas and Marine Industries Technology show which is sponsored by the Canadian Embassy in Tokyo. We will be making presentations at that conference, Mr. Speaker, and the reason why there were so many people on the trip is because they wanted to go. Business and industry had been invited, Mr. Speaker, to participate in the trip at their own cost. The Province is not paying the way of the business people or the Town of Mount Pearl. The only reason the Town of Mount Pearl has a representative going is because they are a very far-sighted town that can see the benefits of being involved in industrial development, they want to be over there and have the opportunity to promote their industrial park and their residential developments and the attributes of developing in that particular part of our Province, Mr. Speaker.

Every municipality was entitled to

go. If the City of St. John's had wanted to go, if the City of Corner Brook, if the Town of Port aux Basques, if the Town of Burgeo, or if the Town of Bonavista had wanted to go, Mr. Speaker, indeed they would be only more than welcomed. The fact of the matter is all of the business people and all of the other people who were going, with the exception of my colleague and I and a few officials that we are taking, are there because they wanted to be there, and they are paying their own way, and I look forward to it, Mr. Speaker, as being the forerunner of many good opportunities to do business in the Far East.

Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

The hon. the member for Eagle River.

MR. HISCOCK:

Mr. Speaker, I concur with the Leader of the Opposition (Mr. Barry) and the member for LaPoile (Mr. Neary) as do the other members on this side.

AN HON. MEMBER:

You have no choice.

MR. HISCOCK:

Whether we have a choice or not we are not muzzled like the backbenchers on the government side, Mr. Speaker. I, for one, am rather concerned that we are changing the Public Tendering Act. Why are we bringing in changes at this time? Obviously it has a lot to do, as the member for LaPoile said, with the flak that the Premier was getting with regard to the Convention Centre in

St. John's, the Burin Peninsula Hospital and other activities around the Province. And the government seems to be smarting with regard to the media and wants to bring it up and wants to change things. And the only thing, as each member has said when speaking, is we are the government, we were the government who brought in the Public Tendering Act, and that is the message they want to go out to the media.

And with regard to the other part, Mr. Speaker, the main reason why it is changed is to let people know that the legislation was brought in under them. If the legislation was so good, then why is it necessary to change it? I think that is the crux of this piece of legislation, why change it? And I have not yet heard any minister, or the minister introducing this bill, give sufficient reason why instead of now with the rental space of \$30,000 for a building, that the government has not thought it advisable to invite tenders? \$30,000 is a fair amount of money for a small business person, and it is a fair amount of money, if you happen to be a minister and have ministerial discretion, to give to political supporters.

I am not saying that the minister is going to do this, I am not saying that the government is going to do this and I am not saying that future administrations may do it, but it leaves itself open to abuse. And when you are introducing legislation, legislation should always be introduced from the point of view that once it is done, it is done. Like the Companies Act: The last time we reviewed the Companies Act, if I am correct, was in

eighteen hundred and ninety something and that has not been reviewed since. Obviously it is a fair piece of legislation, and this is the way it should be with the Tendering Act. Any piece of legislation should be done in such a way that it is solid, the loopholes are closed, and it is not open to abuse. And that is the only thing that the people of this Province expect of the Minister of Public Works (Mr. Young), or any other minister, to make sure that when the law clerks and advisors give him a piece of legislation to bring into the House, that the loopholes are closed and that it is not open to abuse. So when we are questioning this bill, we are not questioning the integrity of the Minister of Public Works, we are not questioning his own private life or anything, we are questioning the legislation, the bill. This legislation, Mr. Speaker, is a bad bill. It is a redundant bill. The legislation enacted before, as far as I am concerned, does not need changes.

But there has been abuses in public tendering by the past administration and there has been abuses under this administration. And as the member for LaPoile (Mr. Neary) pointed out, the government have two or three advantages to themselves. One is in writing the description of the tender call for what is going to be put on tender, done in such a way that it can be only supplied by a limited number of people or companies. That is one. The other part is having ministerial discretion under a certain amount, and as I said it looks like \$30,000 now for rental space. The government have their own planners, their own engineers, and they have an estimated cost of what something is going to cost.

And I am not saying that the minister will let private individuals or companies know, but when you have your own engineers you can often phone up, sometimes I have done it as an MHA, and find out roughly the cost of a project. And as I said, this again I think is opened to abuse, that friends of the government have access to contracts of people who bid before when the same type of project comes up again. They may not be made privy to confidential matters by any means, not overly confidential matters, but they have some facts and figures. The Public Tendering Act does nothing to prevent that whatsoever. We brought this up in the House of Assembly before with regards to the museum in the Murray Premises that we were paying rent for almost three years without having occupancy of it. The person who owns the Murray Premises is a very good supporter of the PC Party. I was down there the other day with a person from Labrador, and the second floor was under complete renovations again and the fourth floor was closed and under partial renovations. I would like to know are we again paying rent and paying for the renovations? After waiting three or four years to get occupancy of this building and paying rent all that time, we now find it under renovations again. I would assume in the next couple of years we will find the third floor will be closed and that will be under renovations. These are the things, Mr. Speaker, that prompt questions to come to one's mind as to whether the system is open to abuse or whether it was faulty construction in the first place or bad planning. For whatever reason, it is now being redone. Are the taxpayers paying for this? Why is it that the full

exhibition down there is not open to the public? Those are the things, as I said, Mr. Speaker, that we have to be conscious of with the Public Tendering Act, that you can have preferential hiring, you can give preferential cost plus with regard to some contract, we can end up giving preferential regard to goods. Once a company has a contract and runs into difficulty, we find out that the government often backs them up and bails them out.

We have down in Labrador, for example, in Cartwright, a company, Fahey Construction, ended up getting the contract to build the terminal building in Cartwright. It has still not been built. A company ended up getting the contract to do the airstrip in Charlottetown last August and it still has not been done.

MR. YOUNG:

That is not Public Works.

MR. HISCOCK:

I am not saying it is Public Works.. I am pointing out to the minister, as I think the minister would agree, that once contracts are awarded and companies run into difficulties then they come back to government and then they end up saying that they are in trouble. For example, the biggest blunder, I think, ever done in this Province was Newfoundland and Labrador Hydro, where Lundrigans went in and did the estimated cost of the road into the site and ended up with a \$100 million overrun. Whoever is the minister - our leader was the minister at one time - the point I am trying to get at is these are the things that are open to abuse. Once a contract is awarded by any government - it is not preferential hiring, it is not the

goods that are bought - but the contractors have the government on the spot then: The project is half completed or three-quarters completed and the company says to the government, 'I am sorry but we ran into difficult, and the government ends up turning around and bailing them out. And we do it and in many cases because they are Newfoundland companies. I would go as far as to say that the top companies in this Province do not need any preferential clauses. I am sure Lundrigans are quite capable of competing with mainland firms, as are McNamara and various other companies, Mr. Speaker. Surely the great Crosbie family do not need to have preferential hiring and goods.

So, Mr. Speaker, one has to ask that question why do we need that. When a company is going to be doing work in any area, it is logical to buy goods in that area, it is logical to hire people from the local source. Now that we are in difficult economic times it is a bit different. There is more work going on on the Coast of Labrador than any other area in the Province. You would end up finding out that because of the lack of work on the Island part of the Province, we now have labourers being brought to Labrador because the contractor wants to employ his son or his nephew or his brother or his friend, because they want to keep the company together. But this preferential hiring, Mr. Speaker, coming from Labrador I know that is not necessarily the case.

With regard to preferential hiring in the offshore, where are the jobs for the coastal Labrador people? Where are the jobs for our people in Northern Newfoundland or the South Coast?

Mr. Speaker, it is the same with medical students. The majority of the medical student at Memorial University are from urban areas, particularly St. John's. The same thing with the offshore, the majority of the people are from St. John's and outlying areas because they can come in for the interviews and be available when that job comes up.

The Department of Transportation and Municipal Affairs give more work to private contractors than any other departments within government. I would like to know why the Department of Transportation Act is repealed with regard to this and also why the Public Tendering Act of 1974 is repealed? Why are the Departments of Transportation and Municipal Affairs singled out? These two large departments, Mr. Speaker, in terms of capital construction, are being singled out. I for one would like to know.

With regards to buying local goods and services, we all believe and we all want to see Newfoundland and Labrador prosper. We find that people in Newfoundland are more willing to pay a higher price for potatoes or for various other products and vegetables than buy them from PEI or buy them from Nova Scotia. We also know that when it comes to buying various things we will end up giving local people the advantage. But when you are going to buy a longliner and it is \$60,000 cheaper to get one in Nova Scotia, then obviously you are going where the bargain is. And yet the Fisheries Loan Board here, and probably rightfully so, says, no, we will not give you a loan if you buy outside of the Province. So here is a problem: Are we helping the fishermen or are we helping the

boat builders?

So there are examples, Mr. Speaker, of contradiction. Having looked at the schedule, a lot of these things have to do with smaller contracts. We ended up under this government, this past administration, at the Trade School, for example, where contracts were let out \$5,000 apiece and they kept reissuing and reissuing them until it finally went up to \$150,000. The question with regard to the rental space ceiling of \$30,000, and some other parts here, involve ministerial discretion, and what is to prevent that abuse from occurring again? What is to prevent a minister from issuing a \$15,000 lease and then within another two or three days issuing another? Those are the things, Mr. Speaker, that this government has not corrected and we have not necessarily been assured that it will be corrected in the future.

I believe that the Public Tender Act is a sound and good idea. But just having a Public Tender Act does not in itself mean that the law is going to be upheld, nor does it mean that it is going to give advantage to everybody. As has been pointed out by the member for LaPoile (Mr. Neary), the Public Tender Act as it is now being revised gives more ministerial discretion. I only see one problem with more ministerial discretion and that is it obviously favours one or two people over and above everybody else. The past Liberal administration had to suffer for not having a Public Tender Act, and this government takes the glory for bringing one in, but know if six companies submit tenders and one is picked because of political affiliation, the

other five quite well know that. And it only takes a while for this to get around the Province and then the rust has set in. Mr. Speaker, by amending the Public Tender Act the message that will go throughout this Province, loud and clear to private companies and anybody doing business with government is beware, be of the same political stripe of the party in power, not only be on its side but make sure that your financial contribution is better than the next contributor's. With regard to that, Mr. Speaker, those are the abuses that I find can take place. I hope they do not, but as I said we saw the abuse in the Trades School where they ended up spending over \$150,000 by \$5,000 payments made under ministerial discretion. I note one in this bill is \$30,000. If a minister can rent under ministerial discretion up to \$30,000, it is quite possible that instead of awarding a single large contract, it could be broken up into many smaller ones.

Now I am not saying this is happening, but these are the loopholes that we see on this side. And we hope that the minister and the government and the Premier, who claims to be a champion of the Public Tender Act, will correct these abuses before they are passed, so that we will not have to come back in another two or three years when the Liberal Government is in power and have to change this act ourselves. Mr. Speaker, with regards to the Public Tender Act, I see no reason why it needs to be amended. I see no reason why the Department of Transportation is excluded from it. I see no reason why amendments are made with Municipal Affairs. And I am very, very concerned about ministerial

discretion. I see too much of that buzz word going right through this piece of legislation, ministers have too much discretion. And when you have discretion like that, it is over and aboveboard. It may be, but it does not give the impression.

So, Mr. Speaker, in closing I believe very strongly in the gist and the intent of the bill, and that is to allow Newfoundlanders and Labradorians to be hired. But it has been proven in our own Province, at the Cat Arm and Bay d'Espoir projects where there have been protestors, that just because you have preferential hiring does not mean that you are going to hire people from the areas where the project is taking place. The contract can be in Labrador or Bay d'Espoir or Come By Chance or any other area of our Province but people are still brought in from other areas of the Province. We should say that wherever the project is taking place the people of that area should have first call employment, and after that obviously other areas of our Province and after that outside the Province. Whereas now, Mr. Speaker, with projects going on in areas like Bay d'Espoir, with 40 per cent unemployment, and on the Northern Peninsula, which also has high unemployment, yet we have people brought in to work there from areas like Mount Pearl, Conception Bay South, St. John's etc. The main reason companies do that is they do not know the local people and it is better for them to work with workers they know. And that is quite true. The idea of any business is to make a profit. I also say, Mr. Speaker, just because you are going to have preferential hiring and preferential buying of goods does not necessarily mean that

employment is going to filter down to the people of the area where that project is underway.

For example, in Cartwright, Labrador we have about ten projects on the go, building a government wharf, repairing the clinic, water and sewerage, a terminal building at the airport, and the overwhelmingly majority of people working on them are from the outside. A lot of these people, like truck drivers, do not need to be brought in. Because of local preference the government awards the contract to a Newfoundland company. The company then goes to the area of the Province where the work is to be carried out, but does not even respect the intent behind the bill, to hire local people, not necessarily to hire local friends, local buddies, members of the company, but to hire Newfoundlanders and Labradorians irregardless of where they live. But the way it is now, Mr. Speaker, with regards to preferential hiring, we find out that it is being abused. The people at the site of the work, at the site of the contract are not given a fair chance; that it is done by a family compact. With regard to our own Public Tender Act here, with ministerial discretion, is it not a family compact, but a PC compact, and allows for abuse. And I for one, Mr. Speaker, want to see our Province prosper, but I do not want to see companies treated differently just because of the political party they support.

They should be awarded a contract, number one, for quality work and doing their job, making sure that the job continues. For example, a water and sewerage job was done in Makkovik and because of poor

planning and bad engineering we ended up spending an extra \$5 million, and we had preferential hiring there and a preferential contract.

With regard to the Goose Bay bridge, which was supposed to have cost \$2.5 million, because of bad engineering it cost the Province \$6 million. Those are the things that are open to abuse, Mr. Speaker. So if we are going to award contracts, they should be awarded on quality of work. Also, the contractors should hire local people if possible, as well as using local goods. I find there are some contradictions in the philosophy of the Tendering Act. The Premier says that the only way we are going to get the fishery going is with more foreign investment, the only way we are going to get the pulp and paper and the mining industries going is with more foreign investment, yet another piece of legislation say yes, we want foreign investment, but we are going to tie your hands while you are here. As I have said, I, for one, Mr. Speaker, have to question whether this protectionism that we are putting around our own companies is not done for the benefit of their own friends. Because, as was said by the hon. the member for LaPoile (Mr. Neary), when you write a job description it limits those who can have it.

Mr. Speaker, I want to see prosperity, but unless the loopholes in this bill are plugged, I will also be voting against the bill.

MR. SPEAKER (Aylward):

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, I wish to have a few words. The hon. gentleman who just sat down talked about loopholes. What loopholes? I mean, do you get up in this House and just echo soliloquies of whatever comes to one's mind without any substance or points? I challenge the hon. gentleman, or any other hon. gentleman there opposite to point out the loopholes in this act. The history of this act, Mr. Speaker, is that it was passed in 1974; its implementation had rather a stormy history that there is no need to go into now, but it resulted in a commission of inquiry presided over by Mr. Justice Mahoney who was able to pass upon the operation of the Tender Act because the Tender Act had been passed in 1974. There was a very careful report, a royal commission report, recommendations that came in and embodied in this act, Mr. Speaker, is the implementation of virtually each and every one of those recommendations.

So the hon. gentleman gets up and talks about loopholes.

MR. BARRY:

There are at least nineteen loopholes.

MR. MARSHALL:

The biggest loophole at all, Mr. Speaker, and the biggest loop at all is the hon. the Leader of the Opposition (Mr. Barry). I will be delighted, as I know the hon. minister will be, to go over the so-called loopholes in Committee. But I would have thought that there would have been some of them specifically, if there were any, brought up in this debate on second reading. It has been on the Order Paper for a long period of time, it has been here for people to read. There has not

been one solitary statement from the Opposition about any particular loopholes because there are none. I invite the hon. gentlemen to address the bill in relation to the commission that reported. The commission made certain observations with respect to the fact that services should be included. So are services included, Mr. Speaker? I suggest the hon. gentlemen look to the definition of public works, number three, where goods and services are included with public works. Also, Mr. Speaker, the commission report pointed out that there was a need to call public tender with respect to rentals and you will see that in section 4 of the bill. And, generally speaking, you will see a total and complete implementation of that royal commission report embodied in this particular bill. I am looking forward, as I say, when we get into Committee, to hearing a little bit more. We would be delighted, Mr. Speaker, to address any questions that arise in Committee and I look forward to when they come.

There will be one slight amendment that will be brought into Committee and that will be purely and simply, I can tell the hon. gentlemen there opposite, with respect to government funded bodies, where tenders are not awarded to the preferred bidder. "The head of the government funded body shall report to and obtain the authority of the Lieutenant-Governor in Council before rejecting the preferred bidder."

Now, it has been brought to our attention that there may be a certain problem in certain institutions, such as hospitals, where the head of the hospital has

to make a judgement with respect to the quality of the goods that is purchased for the purpose of the hospital itself and may have to be done speedily, and we intend to put an amendment into the act that we will deal with in Committee that will deal with that particular contingency and give the government the power to make regulations with respect to it.

Other than that, Mr. Speaker, this is the strongest tendering bill in Canada. It is one that has been put together as a result of very careful study over the past few years. It implements in substantially all of its entirety the recommendations of that commission and that is why I am very happy to get up and commend the minister for bringing it in, and just to point out exactly -

MR. BARRY:

Did you support it? Did you support it in Cabinet?

MR. TULK:

He is trying to shunt it aside now.

MR. MARSHALL:

I support everything that goes through Cabinet, unlike the hon. gentleman there opposite.

SOME HON. MEMBERS:

Hear, hear!

MR. MARSHALL:

This hon. gentleman is not a scurrer when the heat is on. I am not afraid of decisions of Cabinet, and I support decision of Cabinet. As a matter of fact, myself and the minister, and the other Cabinet ministers had a great deal to do with it. The hon. gentleman is smiling; it is getting near Christmas at the present time, you know, and I do not want to get into the history

of the hon. gentleman's sojourn in Cabinet, the hon. gentleman's support in Cabinet, the reason for the hon. gentleman being over on the other side of the House, which is quite pathetic, really. I mean, it is quite pathetic to see my former colleague, whom we campaigned for, first of all sitting over there, but it is even worse to see the hon. gentleman completely snowed under by the hon. the member for LaPoile (Mr. Neary), whom he succeeded, and even the hon. the member for Eagle River who tried to surplant him.

MR. OTTENHEIMER:

He put on a dynamic campaign, the hon. the member for Eagle River.

MR. MARSHALL:

This, Mr. Speaker, is a very commendable act, and I do not like the hon. the member for Eagle River (Mr. Hiscock) getting up and speaking just for the sake of speaking. But I want to compliment the minister for bringing this bill before the House. I point out it cures all the loopholes that were found by the commission, and I look forward, when it is brought before the Committee, to seeing a much better type of debate and questioning than we have seen here this afternoon.

MR. SPEAKER (Aylward):

The hon. the member for Menihek.

MR. FENWICK:

I did not have a lot of comment, but there were a few comments I want to make on the piece of legislation. Referring back to the Mahoney Inquiry is quite interesting. I recall that Mahoney Inquiry. It was prior to any time that I had spent in partisan politics, and I remember at that time that I was interested

in partisan politics and felt that it was important to get involved and to be part of the process. And in looking for a political party that would be appropriate, I remember listening to the Mahoney Inquiry and the things it was saying about the P.C. Administration of that time and thinking if these were the kinds of things that were going on, it was certainly not the kind of party to get involved with. I should say now, though, that I have been impressed with the present administration in comparison to their predecessors, in the sense that the present administration certainly seems to argue that it is doing a better job, it more closely adheres to the tendering policy and so on.

Of course, the 1974 legislation obviously must have been deficient or we would not have the 1984 legislation. By the way, there is one thought that does occur to me at this moment, that the Mahoney Inquiry, if I recall, sat in 1978 and 1979 and it does seem that the government opposite is a little bit slow in bringing in legislation if it takes them five years to draft up what turns out to be -

MR. NEARY:

That is unusually fast.

MR. FENWICK:

That is unusually fast? - sixteen or seventeen pages of legislation, but maybe that is just the fact that the mills of the gods are grinding exceedingly slow, but is it exceedingly fine? Yes, it is something like exceedingly fine. Anyway, the thing is that there is, listening to the members talk about it, a lot of what seems to be ministerial discretion in it. Admittedly it is a little picky in

places, it says under \$5,000 in some instances, under a certain amount of rental and so on. And I think that there is a problem here, in trying to speak to the actual bill and the problem here, that you want to make sure that no political favourites are being played when these tenders are being awarded, yet there seems to be a need for some sort of flexibility involved here, otherwise the entire process may be totally halted and the possibility of the business of the Province not being able to continue on because people are totally handcuffed. And I think there is always going to be that antagonism between these two objectives, one, to be honest and to be visibly honest, and to make sure that people who would have a tendency not to be were kept honest, and, at the same time, to be efficient and to keep the efficiency so that we indeed do not lose more money by trying to be more honest. And I have often felt that we sometimes attack it the wrong way here. We are looking at a Public Tendering Act that tries to close some loopholes, but, obviously, members on this side of the House, to my side, seem to indicate there are a number of loopholes there. There are certainly areas for ministerial discretion, and that is undisputed, because you can see it written all the way through there. The question you have to ask yourself is how can you tell when that ministerial discretion was exercised on behalf of the best interest of the Province, or when was it exercised in the best interest of either the minister himself, some other supporter, or, perhaps, the party that he represents? And I think that is the key area that we should perhaps be concentrating on. And

perhaps a piece of legislation that has been long promised and is not on the Order Paper, so it is in order for me to discuss it, is a more appropriate way to approach this, and I refer, of course, to legislation that would force full disclosure of political contributions so that we could at least identify one area where there may be a possibility of conflict of interest. I bring it up because it is a long overdue bill. As a matter of fact, it is just about as overdue as this one, but probably a little bit more overdue since it was promised in the early Spring of 1979.

MR. TULK:

We will be lucky to get it by 1995, I would say.

MR. FENWICK:

Well, maybe, it depends. I have a letter at home, by the way, that promises the legislation would come down before the next election. The letter was written in 1980, unfortunately, but that is one of the problems we have with it.

I think the problem is that we can approach it from two different directions. If we approach it from another direction to make sure that all contributions to political parties are disclosed when they are beyond a certain minimum number, and I suggest somewhere around one hundred dollars, we would do all right. I suggest that because in previous drafts or previous committee reports it seemed to be an absent feature from that particular thing, and I would suggest that if we were really serious about cleaning up our act here, or visibly seeing that it is cleaned up, then that may be a better approach to it than trying to plug

every single loophole which would be desirable but may, in the process, reduce efficiency to almost nil.

The other thing that I would like to mention about it is that I was very disappointed in the ministerial argument that led off the debate, because I was expecting at that time a rationale for the bill. The Minister of Public Works and Services (Mr. Young) was very, very brief in his comments, so that it was difficult at that point to understand what indeed the bill was addressing, other than an oblique reference, if I have it here correctly, to the Mahoney Commission and the fact that the bill was first introduced in 1974. And that was about all he said. Luckily, we had the House Leader get up later and explain in more detail exactly what was going on. This is now supposed to reflect the Mahoney Inquiry and that is quite interesting, because it would be interesting to look back and see exactly what has been implemented. But, nonetheless, I was disappointed that the minister was not a little bit fuller in his remarks in the beginning, although I assume he probably will be at the end.

There are one or two specific things I would like to raise, and then I would like to move a motion to table it, and that is that I have been informed, although I think there is an intention to amend it in the future which may come close to working on it, but I have been informed by Memorial University through some sources that I have, that they have not been privy to the new bill, they have not seen it, and, as a result, they have no idea how it may effect some specific problems

that they, themselves, have, specifically this: There may be, for example, a research grant a certain professor is working with and he may be looking for a one-of-a-type of instrument in the world and it may be very difficult to put to public tender, let alone Newfoundland preference, a cyclotron or something along those lines, and the informant indicated that they were not sure there was a problem, but that since they have not had a chance to look at the bill to see how it has been redrafted, that they felt that it would be helpful if they could have a chance to look at it, answer some questions with the hon. Minister of Public Works' department about how it is to be implemented and so on, and see if, indeed, they have cause for concern.

So what I would like to move, seconded by the member for LaPoile (Mr. Neary) is that this bill be laid the table for six months so that the interested parties in the schedule at the back could have a chance to look at the particular piece of legislation and make representation to the government.

I am not sure what goes on next. Nobody has given me a copy of the Rules of Order around here, or the Bourinot ones, so this is as far as I have gone.

MR. SPEAKER (Aylward):

It has been moved by the member for Menihek (Mr. Fenwick) and seconded by the member for LaPoile (Mr. Neary) that this bill be laid on the table for a period of six months.

MR. OTTENHEIMER:

A point of order, Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Justice on a point of order.

MR. OTTENHEIMER:

Not that it is awfully important, I suppose, but obviously the rules, if they are not recognized or adhered to, we would be operating without any and then we would be sort of in a vacuum. I do believe that it is necessary when a persons seconds that that person has not already spoken. I am pretty sure the rules will show that, but I am willing to let that go. I just want to point out that it is a rule and we are not sleeping on our rights to enforce the rules. So I just point it out, I am not making it as a substantive point. But, as I say, if it is not made, then an important moment could come when, by acquiescing in the rules and non-observance, it could be interpreted that the rule no longer existed. So if I say that I would speak now on the motion. In other words, I am pointing out the rule but I am not making it as a specific point of order.

I just want to speak briefly on the motion which is, essentially, the six month hoist. That is what it comes down to, it is a motion that the consideration be deferred for six months.

MR. NEARY:

You have made your point of order, have you?

MR. OTTENHEIMER:

Yes.

MR. NEARY:

Then my colleague is allowed to carry on now with his debate.

MR. OTTENHEIMER:

No, I do not think so. I think he has taken his seat. He had taken

his seat at the time.

MR. FENWICK:

To that point of order, Mr. Speaker.

MR. SPEAKER (Aylward):

Order, please!

To that point of order, the hon. the member for Menihek.

MR. FENWICK:

Has that point of order been taken or not? I do not know.

MR. SPEAKER (Aylward):

I could rule on the point of order if the hon. member does not wish to discuss it. Does the hon. member wish to speak to the point of order?

MR. FENWICK:

Well, I could change the seconder, if that would be acceptable.

MR. DINN:

No, it can only be done by leave.

MR. SPEAKER:

I will adjourn for a couple of minutes to consult with the people at the table, and then I will give a ruling on that point of order.

MR. SPEAKER (Aylward):

Call in the members.

Order, please!

According to Beauschêne, section 424, subsection (3), upon the Speaker noticing that there were discrepancies in the motion presented by the hon. the member for Menihek (Mr. Fenwick), it seems to say that he should have brought it to his attention. And if he had another seconder for that motion, then it could have very well been accepted. I do bring to the hon. member's

attention that the member for LaPoile (Mr. Neary) has spoken in this debate and he is not an acceptable seconder to this motion.

MR. FENWICK:
Mr. Speaker.

MR. SPEAKER:
The hon. member wishes to make a motion?

MR. FENWICK:
Yes. I move, seconded by the member for Port au Port (Mr. Hodder), that we lay this bill on the table for a period of six months.

MR. SPEAKER:
Order, please!

MR. FENWICK:
Is that in order?

MR. SPEAKER:
Yes. Order, please!
It has been moved by the hon. the member for Menihek (Mr. Fenwick), seconded by the hon. the member for Port au Port that this bill be now laid aside until six months hence. All in favour of the motion 'aye'.

SOME HON. MEMBERS:
Aye.

MR. SPEAKER:
Contrary minded 'nay'.

SOME HON. MEMBERS:
Nay.

MR. SPEAKER:
I believe the 'nays' have it.

MR. MARSHALL:
Divide.

Division

MR. SPEAKER (Russell):
Call in the members.

MR. NEARY:
Mr. Speaker, just a point of information. Before Your Honour came in my colleague made a motion that this bill be laid upon the table of the House to be debated six months hence, in other words, the six months hoist. I believe that is a debatable motion, Mr. Speaker.

PREMIER PECKFORD:
No, too late. Too late.

MR. NEARY:
No, it is not too late. I think my colleague, the member for Menihek (Mr. Fenwick) should have been recognized and given an opportunity to explain why he wanted it put on the table of the House, Mr. Speaker.

PREMIER PECKFORD:
It is too late now.

MR. NEARY:
No, it is not.

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

MR. MARSHALL:
The Division has been called, there is not supposed to be any debate. There is authority for that in division.

MR. SPEAKER:
Yes.

MR. OTTENHEIMER:
That is right. A division cannot be interrupted.

MR. MARSHALL:
It is perfectly competent for any person - the hon. gentleman who seconded it could have gotten up.

MR. NEARY:

We were not given a chance.

MR. MARSHALL:

The fact of the matter is, Mr. Speaker, we want to show now who wants to delay the implementation of the Public Tender Act.

MR. NEARY:

We were not given an opportunity, Mr. Speaker. Check Hansard. You are going to run the House now by brute force. Bully! Bully!

MR. SPEAKER (Russell):

Is the House ready for the question?

MR. NEARY:

No, we are not.

MR. BARRY:

Mr. Speaker, there is a matter of, I think, a serious point or order, if not of privilege here, in that there was no opportunity given for members opposite to debate, to raise a question as to whether or not it was debatable.

MR. TULK:

The question was put immediately.

SOME HON. MEMBERS:

Oh, oh!

SOME HON. MEMBERS:

He was told it.

MR. SPEAKER:

Order, please! Order, please!

MR. BARRY:

Mr. Speaker, the member for Menihek (Mr. Fenwick) was instructed to sit down because the Deputy Speaker was calling order. He was looking at him saying, 'Order, order' while the member was standing on his feet trying to debate.

MR. DAWE:

That is not so.

MR. BARRY:

This is something that is taking away from a member the opportunity to make points. The reason for moving that motion was so that there could be debate on the matter. If the member is going to be deprived of his rights because of what may have been an error of his Honour or His Honour's predecessor -

SOME HON. MEMBERS:

Oh! Oh!

MR. BARRY:

Nobody is infallible. Nobody is infallible. I do not believe, Mr. Speaker, that Your Honour's predecessor in the Chair intended to block debate, but it is not a light matter for any member of this House to be deprived of an opportunity, and it is quite a serious matter if we are going in effect to have a precedent established that we are not allowed to debate what I understand to be a debatable motion.

MR. SPEAKER (Russell):

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, I refer Your Honour to Standing Order 82 (a): "When members have been called preparatory to a division, no further debate is to be permitted." Now, I will be prepared to address the point of privilege, but, I mean, we have to have order in the House and that is the way; there should be no debate, there should be no talk, there should be nothing except a recording of the vote. Subsequently, if the hon.

gentleman wishes to get up on points of order, or points of privilege he can do it, but the rules of this House clearly state, for obvious reasons, that there will be no debate or no discussion during a division.

SOME HON. MEMBERS:
Hear, hear!

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

The Standing Orders are very clear: There has been a division called and there shall be no debate until that division vote has been taken. If members want to raise a point subsequent to that, then the Chair will hear it. But there will be no further debate. Is the House ready for the question?

MR. NEARY:
Mr. Speaker, I would like to move that Your Honour's ruling be appealed.

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

There is a motion to have a division go before the House and I cannot accept the motion of the hon. member.

MR. NEARY:
This supercedes everything else.

MR. SPEAKER (Russell):
No, it does not. Is the House ready for the Question?
All those in favour of the motion please stand: The hon. the Leader of the Opposition (Mr. Barry), Mr. Callan, Mr. Neary, Mr. Tulk, Mr. Hodder, Mr. Hiscock, Mr. Fenwick.

MR. SPEAKER:
All those against the motion please stand: The hon. the

Premier, the hon. the Minister of Development (Mr. Windsor), the hon. the Minister of Education (Ms. Verge), the Hon. the Minister of Career Development and Advanced Studies (Mr. Power), the hon. the Minister of Health (Dr. Twomey), Mr. Morgan, Mr. Reid, the hon. the Minister of Finance (Dr. Collins), the hon. the Minister of Justice (Mr. Ottenheimer), the hon. the President of the Council (Mr. Marshall), the hon. the Minister of Transportation (Mr. Dawe), the hon. the Minister of Labour (Mr. Dinn), the hon. the Minister of Public Works and Services (Mr. Young), the hon. the Minister of Consumer Affairs and Communications (Mrs. Newhook), the hon. the Minister of the Environment (Mr. Andrews), Mr. McLennon, Mr. Baird, Mr. Peach, Mr. Tobin, Mr. Cross, Mr. Stewart, Mr. Aylward, Mr. Hearn, Mr. Matthews, Mr. Butt, Mr. Stagg, Mr. Osmond, Mr. Greening.

MR. SPEAKER (Russell):
The vote is twenty-eight against and seven for. The motion is defeated.

MR. BARRY:
Mr. Speaker.

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

MR. BARRY:
A matter of privilege, Mr. Speaker, a matter of privilege of the House. We have seen an example, and maybe it is because, as the government House leader indicated, they do not intend to listen to any proposed amendments in Committee of the Whole, they intend to ram this through to have the Public Tenders Act gutted, to have an act which was there, which was being -

AN HON. MEMBER:

You just said it was too good.

MR. BARRY:

Maybe that is why, maybe it is because the Premier is realizing that he has so many pressures from his cronies now, his political friends that he can no longer have the Public Tenders Act of the Government House Leader put in place, that the government House Leader fought for in a previous administration. Maybe that is why we have had this shameful railroading, Mr. Speaker, of the member for Menihek (Mr. Fenwick) on a motion -

MR. SPEAKER:

Order, please! Order, please!
I would ask the hon. the Leader of the Opposition to get to his point of privilege.

MR. BARRY:

Yes, Mr. Speaker. The point of privilege is that the member for Menihek put a motion to the floor of this House. a motion that was debatable and, Mr. Speaker, we accept that it happened in good faith, and do not take this as criticism of the Speaker, but Your predecessor in the Chair did not permit debate, gave no opportunity to the member for Menihek (Mr. Fenwick) or any other member in this House to put that matter to debate. Now, that is a matter that infringes on the privileges of the House and the privileges of every member and is something that cannot be condoned, even if it be on an issue that is of crucial importance to the Premier and his government, which is the gutting of the Public Tenders Act.

MR. SPEAKER (Russell):

The hon. the President of the Council.

MR. MARSHALL:

How ridiculous for the hon. gentleman to get up. What happened in this debate here this afternoon is what happens every day. The hon. the Speaker ruled the amendment in order -

MR. NEARY:

And immediately put the question.

MR. MARSHALL:

No, the hon. Speaker then asked for the vote. It was perfectly competent, it has happened many times in this House, that the Speaker will not see somebody rise on either side and say, 'Are you ready for the vote?'

MR. BARRY:

He was ordered to sit down. He had to sit down. The Speaker called order and he was forced to sit down.

MR. MARSHALL:

The hon. gentleman should look after his blood pressure. Mr. Speaker, the fact of the matter is it was perfectly competent for anyone to get up and they did not get up at the time. It was only after we called for a division, because we wanted to expose the inconsistency of those who said we were too long in implementing the Mahoney Commission Report, and then they proposed a six months hoist. So when we wanted to show the inconsistency of the hon. gentlemen there opposite and we called for a division, then they got upset. But the fact of the matter is the Speaker in this House operated in the same manner as always; he called for the vote, it was perfectly competent for the hon. gentleman or anyone in this House to get up who had not spoken in the debate. The hon. gentlemen on the other side were the first to say 'aye' when the Speaker

said, 'All those in favour.'

All of the hon. gentlemen could have gotten up and spoken. If the hon. the member for Menihek (Mr. Fenwick) had decided he did not want to say any more but propose it, there was a new motion before the House and any one of the hon. gentlemen there opposite could have spoken. The fact of the matter is, Mr. Speaker, they are leaderless, they do not know the rules and now they are embarrassed.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Russell):

To that point raised by the hon. the Leader of the Opposition (Mr. Barry), the Chair has heard enough debate. The question, I think, is whether or not the motion raised by the hon. the member for Menihek (Mr. Fenwick), the six month hoist, is a debatable motion. I refer hon. members to Beauséjour, page 98, section 3, under Debatable Motions and that is not one of the motions listed on pages 98 and 99 of Beauséjour.

On motion, the House at its rising adjourned until tomorrow, Wednesday, November 28, at 3:00 p.m.