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Speaker: Honourable Patrick McNicholas

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The House met at 10:00 a.m.

MR. SPEAKER (McNicholas):
Order, please!

Statements by Ministers

MR. DINN:
Mr. Speaker.

MR. SPEAKER:
The hon. the Minister of Mines and Energy.

MR. DINN:
Mr. Speaker, I should like to advise members of the House of Assembly that 11:00 this morning, I will be holding a press conference in the conference room on the eleventh floor to outline the major housing initiatives planned this year by Newfoundland and Labrador Housing Corporation for the St. John's area.

SOME HON. MEMBERS:
Hear, hear!

MR. DINN:
These expenditures, amounting to almost \$24 million, will involve construction of social housing units and special purpose accommodation, renovations and repairs to the corporation's social and market rental portfolio in the city, as well as major residential, industrial and commercial development activities.

These initiatives, details of which I will be providing at a press conference, will provide a substantial economic impetus to the St. John's area, including over 850 jobs.

MR. BARRY:
Mr. Speaker.

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

MR. BARRY:
Mr. Speaker, I want to thank the minister for providing us with a copy of the statement. He is accompanying this with a much longer press statement which he will be giving to the press but not to the House, which is understandable.

We are happy to see this initiative to improve housing within the City of St. John's area. I have to say there are other parts of the Province which have received assistance, and I refer to Bell Island, in my own district of Mount Scio - Bell Island, where there is a good programme of new housing proceeding through Newfoundland and Labrador Housing Corporation.

There is, of course, Mr. Speaker, as we all know, still a very great demand out there in the Province for new homes, and maybe at some point in time the minister could just give us a feel for the waiting list that exists with Newfoundland and Labrador Housing, the numbers of people who are on that waiting list, and when the Corporation sees that it is likely to be able to fill all the requests for housing.

I have had some very sad letters from people who are being put out on the street, sometimes with small children. Obviously, they will end up either with relatives or, perhaps, in a hostel, or even in a hotel.

MR. PATTERSON:
Name the law firm that is putting them out. Name the law firm that is giving out the notices.

MR. BARRY:

Mr. Speaker, the depth of political analysis on the part of the member for Placentia (Mr. Patterson) gives some indication as to why he was flung out of this House a couple of days ago.

MR. PATTERSON:

You name them and we might have you flung out.

MR. BARRY:

Mr. Speaker, is it possible to control the crackies in the back row, I wonder?

I would like to say, as far as employment is concerned, while there will be some temporary employment, this is not the objective of the housing programme, the objective of a housing programme is to provide homes for the people who need them. There is still a great demand out there, but the minister, with this announcement, is making a start in the St. John's area.

MR. SPEAKER (McNicholas):

The hon. Minister of Career Development and Advanced Studies.

SOME HON. MEMBERS:

Hear, hear!

MR. POWER:

Mr. Speaker, I have two statements to make this morning. One is a very detailed one on a reorganized vocational school system for the Province and a White Paper will be put out in that regard. The other is a short statement bringing an update to the SEED programme which I would like to do first. It will only take a moment or two.

The review process of employer applications under the Summer

Employment Experience Development (SEED) Programme is now complete. It is therefore appropriate to provide the hon. members of the House and the public with an up-to-date account of the results of this programme.

In Newfoundland and Labrador, SEED programme priority was given to proposals in the community which were career-related. Some of the career-related occupations for which students of this Province will be hired this Summer are quality control technicians, reporters for their community newspaper, accountants, land surveyors, weather observers, electronic technicians, pharmacists, graphic artists, assistant respiratory technicians, cartographer and librarian.

Attempts have been made to regionally distribute employment opportunities. There were 1,944 applications received for SEED in Newfoundland and Labrador, requesting \$23 million. As of this date, 1,246 applications have been approved, committing the programmes' total budget of \$7,152,000. Five thousand, one hundred and fifty-five jobs have been created, for a total of 41,645 weeks of employment for the youth of this Province.

It should be recognized, Mr. Speaker, that this represents an increase of 1,696 jobs over the number of Summer jobs created as a result of last years programme, an increase of 1,696 student jobs. In addition, the increased participation of the private sector means a more efficient utilization by both levels of government funding. More jobs were created per government dollar spent, then were created by previously sponsored Summer

employment programs in this Province.

The first students were hired on May 7, and it is expected that the majority of employers will have their respective hiring completed by July 2, 1985.

The referral of students to approved projects is the responsibility of the Canada Employment Center or the Canada Employment Centre for Students nearest the employer. Therefore, any student seeking employment on a SEED Programme should register with either of these agencies. All positions staffed under SEED will terminate on or before September 6, 1985.

The SEED Programme is being co-ordinated and administered jointly by the Employment Services Division of Career Development and Advanced Studies and the Employment Development Branch of Employment and Immigration.

MR. BARRY:
Mr. Speaker.

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

MR. BARRY:
Mr. Speaker, I thank the minister for giving me a copy of that statement. I did not get a copy of the other one which I believe he intended to give me on the vocational schools. Perhaps he could pass it over before he makes his statement.

Mr. Speaker, when this programme was announced earlier in the year we had the minister standing in his place in this House and talking as though there were going to be 6,000 jobs coming from the

SEED Programme. Not only that, Mr. Speaker, the minister gave the impression that they will be 6,000 new jobs, 6,000 more than were out there last Summer. What we have is that they are not meeting the objective. They are falling short of their 6,000 objective. They have only made it to 5,155. Despite the fact, Mr. Speaker, that there are communities, and I mentioned St. Barbe district where the member for St. Barbe (Mr. Furey) has had communication from a couple of towns there where there are going to be 300 students going out of high school today and not a single job available for them in the area. They are going to be walking the streets for the entire Summer. So this programme has not been the successful programme that the minister started out to say that it would be.

Also, Mr. Speaker, I must say I would like to see how these jobs were distributed. There was no consultation with MHAs on this side of the House, even though the federal-provincial agreement provides for such consultation with members of the House of Assembly. There was consultation with members on the other side of the House. That may be why, Mr. Speaker, there seems to be a very grave discrepancy in the distribution of jobs within districts. There are, Mr. Speaker, places within my district on Bell Island, where they will be receiving fewer Summer jobs this year than they had last year. That is not a very healthy sign.

Also, Mr. Speaker, the other grave defect of the way in which the minister has administered this programme is the delay which has occurred in hiring students. University students have been out

since April, Mr. Speaker, and they are still talking about completing the hiring some time in July. Employers will have their respective hiring completed by July 2. May, June, July, three months after university students have left university. Mr. Speaker, that type of delay, when every dollar counts for students wanting to get back to university, is not good enough and the minister is going to have to do better next year for the young people of this Province.

MR. POWER:
Mr. Speaker.

MR. SPEAKER:
The hon. the Minister of Career Development and Advanced Studies.

MR. POWER:
Mr. Speaker, the Leader of the Opposition (Mr. Barry) is being constructive as usual.

Mr. Speaker, government has approved in principle a plan to reorganize the provincial vocational school system into a provincial college system, with major implications for programme changes and instructor retraining.

Before finalizing and implementing the plan, government wishes to have reaction and input from various groups, such as, the Economic Council as well as the general public. Therefore, a government White Paper has been produced which outlines, in detail, the changes and the implementation strategy for introducing these changes over a three year period.

The White Paper is to receive wide distribution throughout the Province and to be used to solicit written submissions of input to

the Department of Career Development and Advanced Studies.

Submissions will be accepted up until October 1985, and government plans to finalize its position by the end of December 1985.

Background: The provincial vocational school system consists of fifteen schools located in fifteen different communities throughout the Province. Nine schools were built in 1963 and are located at Bell Island, Burin, Carbonear, Clarenville, Conception Bay South, Gander, Grand Falls, Lewisporte and Port aux Basques. The remaining six were built in 1972 and are located at Baie Verte, Bonavista, Happy Valley, Placentia, Springdale and St. Anthony.

The craft school, located in the Arts and Culture Centre, St. John's, is also administered as part of this system.

The major function, Mr. Speaker, of the vocational school system has been to provide pre-employment training in the traditional trades areas, such as, welding, plumbing, motor vehicle repair, etc., as well as various business education pre-employment courses and academic upgrading for those wishing to enter trades training.

When the vocational schools were first built the demand for training in the traditional apprenticeship trades was high, and much of the training was purchased by the federal government under its Canada Manpower Training Programme. However, in recent years, with advances in technology and a general downturn in the economy of this country, the demand for this type of training has decreased and, consequently,

the amount of training purchased by the federal government under the Canada Manpower Training Programme has been substantially reduced. This has resulted in reduced revenues to the Province and low enrollments in many of the traditional trades training courses.

In addition to their pre-employment training courses, twelve vocational schools provide industrial training courses for high school students. This programme has high school students attending vocational schools for one-half day per week. There are approximately 10,000 high school students involved in this programme and the twelve schools involved are located at: Bell Island, Baie Verte, Bonavista, Clarenville, Conception Bay South, Gander, Happy Valley, Lewisporte, Placentia, Port aux Basques, Springdale and St. Anthony.

The vocational school system employs approximately 400 instructional staff and ninety administrative and support staff. Security and maintenance for the schools, of course, comes under the jurisdiction of the Department of Public Works and Services, who also have ninety-five employees for that purpose.

One of the major recommendations, 120 Speaker, of the Crocker-Riggs Task Force of 1980 was that the vocational school system should be reorganized into a regional community college system. This proposal has been discussed and studied for the last four years but no real action has been taken to bring about any major structural changes in the system. However, if there is going to be a significant change in direction for existing training institutions

to make them more responsive to future training requirements and labour market needs, it is essential that structural, as well as programme changes, be implemented.

The following changes would integrate the vocational school system with existing colleges into a provincial college system:

Transfer responsibility for operating vocational schools from the Department of Career Development and Advanced Studies to Boards of Governors;

Establish a Division of Colleges within the Department of Career Development and Advanced Studies, with responsibilities for monitoring and co-ordinating this system;

Place the vocational schools located at Placentia, Burin, Bonavista and St. Anthony under the jurisdiction of the Board of Governors of the new Fisheries and Marine Institute, and declare them campuses of that institute;

Place the vocational schools at Bell Island, Conception Bay South, Carbonear and Clarenville and the craft school at St. John's, under the jurisdiction of the Board of Governors of the College of Trades and Technology;

Place the vocational school at Port aux Basques under the jurisdiction of the Board of Governors of the Bay St. George Community College;

Designate the vocational school at Baie Verte as part of the Fisher Technical College in Corner Brook and have both administered by local Boards of Governors;

Designate the vocational school at Happy Valley as a Community College and give it responsibility for all post-secondary education and training in Labrador under a local Board of Governors; and

Designate the vocational schools at Grand Falls, Gander, Lewisporte and Springdale as a Regional Community College for Central Newfoundland under a local Board of Governors with its central administration to be located at Grand Falls with campuses at the other locations.

The above would result in a provincial college system consisting of six institutions under different boards of governors, with campuses at approximately twenty different locations throughout the Province.

Programme Changes

Mr. Speaker, that outlines some of the proposed changes in organizational structure. We also have proposed changes and course reductions.

Mr. Speaker, a review of training courses in our three colleges and vocational schools indicates that there is a need to reduce training in a number of areas in order to better respond to the supply and demand projections for the next five to ten years. The findings of a supply and demand survey, conducted over the past year, indicate that reductions are needed. In order to avoid major disruptions in the training system, it is suggested that reductions be phased in over a three year period. The following reductions are recommended:

Business Education - to reduce by 50 per cent. This would reduce

training places from approximately 800 to 400. This would mean eliminating courses at eight locations. The following are possible centres for elimination: Gander, Lewisporte, Springdale, Baie Verte, Port aux Basques, Bonavista, Bell Island and St. Anthony.

Carpentry - to reduce by 30 per cent.

Construction worker - to reduce by 40 per cent.

Heavy equipment repair - to reduce by 40 per cent.

Motor vehicle repair - reduced by 60 per cent.

Electrical (basic) - reduced by 40 per cent.

Barbering - to have one course only at Corner Brook.

Drafting (basic) - to reduce by 60 per cent.

Millwright (Industrial mechanic) - to reduce by 30 per cent.

Electrical Linesman - to reduce by 30 per cent.

Electronics - discontinue a course at Carbonear thus eliminating 15 training places.

Welding - to reduce by 40 per cent.

Plumbing and heating - discontinue the course at Corner Brook and Carbonear, eliminating 30 training places.

As indicated above, these reductions should be introduced over a three year period and may vary among institutions,

depending on phase-in of the provincial college system.

Mr. Speaker, obviously if we are going to remove a certain number of courses it is also highly desirable to have new courses to put in their place.

Since 1981, most of the new courses and training programmes introduced have been confined to the three provincial colleges. This is particularly true with respect to the offshore related training - for example, courses in basic offshore survival training, oil spill prevention, fast rescue craft training, radio communications operators, and ballast control have been implemented by the College of Fisheries, while courses in petroleum engineering technology, hydrographic surveying and computerized machinists have been implemented at the College of Trades and Technology. The Bay St. George Community College has also introduced courses in mineral technology, computer science, journalism and travel counselling.

The new initiatives in the vocational schools have been limited to two or three courses in three or four schools. For example, electronics technology has been implemented in Corner Brook and Gander, computer programming and accounting technology in Grand Falls and Corner Brook, and short courses in data processing, computerized bookkeeping and data entry at Burin, Clarenville, Corner Brook and Carbonear. However, no real change in programmes has taken place throughout the vocational school system and, particularly, in the smaller schools.

Even the last review of programme

offerings in the vocational schools, which is still ongoing, has not identified many new initiatives that merit consideration.

Much time and effort has gone into researching this area but no real documented evidence has been found that supports the need for specific training that relates to the employment requirements of the 1980s and 1990s. Discussions with the public and private sectors' representatives indicate that content specific training should be left to individual employers. Public training institutions should provide programmes that are general and give individuals the skills required to cope with change. Such programmes tend to be more academic and theoretical than the trades specific orientation of the past.

Efforts to date have succeeded only in identifying possible categories or generic groups that seem appropriate for developing new programme initiatives. These include: the engineering technologies field, fisheries and marine related employment, computer and computer applications, management skills and public service sector (including tourism and hospitality).

However, one major area of interest that has been identified is the need for university transfer credits. With the establishment, Mr. Speaker, of a provincial college system, the ability to offer university credit courses at the first and/or second year level should be possible.

Government has initiated discussions with Memorial University for the purpose of

establishing an appropriate transfer credit system. And, of course, the function of that, Mr. Speaker, is to deliver all programmes to all parts of Newfoundland equally so that persons do not have to go to any more expense than is necessary to get an education.

Since most of the research for new initiatives has been local and internal to the system, there is need for an external review. Such a review should assess existing courses offerings and make recommendations for changes with respect to programme offerings in the future. It is proposed that an external Advisory Board, with representatives from the fishery, forestry and oil and gas sectors, along with others, be constituted for this purpose.

Instructor Retraining Mr. Speaker, is also essential to any changes in the system. Any major changes in programmes offered by vocational schools or a new college system will result in a significant number of redundant instructors. The problem is further complicated by the fact that the majority may not be retrainable.

A review of the qualifications and experience of existing instructional personnel that would be declared redundant as a result of the suggested course reductions indicates that close to 60 per cent may not be retainable as instructors. Therefore, these instructors will have to be laid off in accordance with the redundancy policies of government.

Therefore, any retraining programme would, of necessity, be confined to the instructors the employer considers eligible and

who, in the opinion of the employer, could benefit from retraining and/or upgrading for the purpose of being reassigned to an instructional position within the new system.

A comprehensive retraining programme should contain all, or some of the following activities: paid education leave, paid work leave, in-service programmes, a system of secondment between industry and government, and mobile training units.

Implementation: Mr. Speaker, because of the comprehensiveness of the suggested changes, it will be necessary to adopt an implementation strategy that will make provision for transition to take place in an orderly and systematic fashion. The following strategy is suggested.

Provincial College System: This system could be implemented over a three-year period in the following phases: from April 1985 to March 1986, announce government's intention to transfer responsibilities to Boards of Governors;

Establish a small committee of senior civil servants to oversee and negotiate the transfer with existing College Boards;

Finalize the assignment of all vocational schools to Boards;

Establish a division of colleges; and

Appoint a special external advisory committee.

From April 1986 to March 1987: Transfer administration for the different schools to the new system.

In April 1987 to April 1988: Combined the Baie Verte Vocational School with the Fisher Technical College;

Designate the vocational school in Happy Valley as a college; and

Combine the services of the vocational schools at Grand Falls, Gander, Lewisporte and Springdale into one college for Central Newfoundland.

Programme Reductions: The suggested course reductions to be implemented over a three-year period, with 1/3 being implemented in September 1986, 1/3 in September 1987, and the final 1/3 in September of 1988; and

The new course offerings that do not require major capital expenditures, and new curriculum development, to be introduced in September of 1986, with the remainder to be introduced in September 1987 and 1988.

Instructor Retraining: The instructor retraining programme to be initiated by providing for paid educational leave for up to 15 instructional personnel in September 1985, and a similar number for the following two years; and

During 1985/86 the groundwork to be done to implement other aspects of the instructor retraining programme including work terms in industry, etc.

Mr. Speaker, in summary, over a three year period the government proposes to establish a provincial college system of six institutions with twenty campuses by consolidating selective vocational schools, by transferring responsibility for the

administration of these new schools to boards of governors, to establish a division of colleges, to reduce the volume of training by 30 to 60 per cent in some courses, to introduce new courses in new technologies in oil related training, to appoint an external advisory board, and to establish a retraining programme for those instructors who may be displaced by programme changes and may not benefit from such retraining or upgrading courses.

In conclusion, Mr. Speaker, this White Paper outlines a comprehensive plan for reorganizing the provincial vocational school system into a provincial college system and reduce the volume of training in traditional courses. It also addresses the need to introduce new courses which are considered more appropriate to meet the labour market needs of the 1980s and 1990s, and establish a retraining programme for instructors.

Government is quite anxious, Mr. Speaker, to receive response of various groups and the general public to the changes outlined in this White Paper, and encourages all interested groups and individuals to submit their reactions, in writing, to the Department of Career Development and Advanced Studies, on or before October 30, 1985.

Thank you, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, we welcome the minister's announcement and I want to thank him for having the courtesy to supply me with a copy of the White Paper beforehand.

Mr. Speaker, this new initiative has the potential to be a very good thing. We support taking a bold new approach with respect to our vocational training system. However, Mr. Speaker, there are also very real dangers present in such a wide-sweeping and wide-ranging change of that system. The minister should keep in mind some of these dangers and perhaps we can make a few suggestions that he might consider.

First of all, Mr. Speaker, I would suggest, with respect to the hon. minister, that he may be placing handcuffs on the White Paper process because of the amount of detail which he has set out in his paper. Now, detail is good, Mr. Speaker, in the sense of being guidelines or examples but, for example, the determination of sites for the location of new regional colleges. For example, decisions with respect to which programmes should be cut and which new programmes should go in should be left and no decisions made until after the White Paper process, an open process of consultation and discussion has been gone through.

Maybe that is what is here but I was somewhat concerned by some of the statements of the minister which seemed to give an indication that government has already taken a very real preference for the system being reorganized along certain lines. Let me say to the minister, for example, yes, there are trades being taught now where graduates are going out into the world where you cannot find a

single member of a graduating class finding a job.

Mr. Speaker, I am not sure that from that we must assume that those traditional trades should be eliminated entirely. Mr. Speaker, I am not even sure that had we a government with a proper economic development programme it would be necessary to cut these traditional trades at all. Mr. Speaker, the reason those graduates are leaving vocational schools and are unable to find jobs is because of the lack of initiative, the lack of job creation programmes, the lack of economic development programmes, on the part of members opposite.

Mr. Speaker, we do support, and we have for some time, a new approach to developing curriculum. I think in last year's estimates in the course of the Department of Education we went into this in great detail. We pointed out the need for new curriculum in the vocational schools. It is a sad commentary that it is a year and three quarters later before we see some action but at least it is coming, albeit it late.

Mr. Speaker, everybody recognizes that our vocational school system needs to be restructured. We are glad to see that government is finally moving on it.

As far as the regional college system is concerned, I think that that could work and I think it should be given a good chance to work. But I will point out to the minister and ask him to consider a very real danger. That is that the vocational voice could be lost and submerged in the theoretical or academic voice and the balance could be swung too far in favour of the academic, as opposed to the

vocational courses.

I would ask the minister to make sure there are certain safeguards put into the system or at this point in time put to the committee that will be analyzing the White Paper and consulting with various groups, put out there for discussion. How do we make sure the safeguards are there in the regional college system to ensure that the voice of those seeking a vocational education and applied hands on education, that that is not lost in the overall college system where you will have the majority of the instructors and the majority of students probably, being geared toward the more academic, theoretical courses?

Mr. Speaker, as far as the instructors are concerned, I am concerned to hear the minister say at this point that probably 60 per cent of those instructors will have to be laid off. I think that that is jumping too quickly to a conclusion without the consultation and without the analysis that should go into play.

Mr. Speaker, this is an area which requires a very sensitive approach on the part of government. There are a lot of careers, there are a lot of families who will be affected. Security which they thought they had because they were employed by government in the vocational training system is being yanked from underneath their feet.

Mr. Speaker, I would ask the minister to reconsider throwing out that 60 per cent of these instructors who are going to have to be declared redundant. I would -

AN HON. MEMBER:

A lot of them are going anyway.

MR. BARRY:

Well, the way this is set out in the White Paper shows this: "A review of the qualifications and experience of instructional personnel that would be declared redundant as a result of the suggested course reductions indicates that close to 60 per cent may not be retrainable as instructors and, therefore, these instructors might have to be laid off in accordance with the redundancy policy of government." Now that is a little too definite at this point in time for a White Paper.

MR. DAWE:

May, may.

MR. BARRY:

No, there is no may there, "Indicates". Therefore these instructors will, not may have to be laid off, will have to be laid off. Where did you get the may? Will, will, will.

MR. TULK:

Will you put a reading course in for the Minister of Transportation (Mr. Dawe)?

MR. BARRY:

Now, Mr. Speaker, if that is an indication of their consultation, if that is the extent to which they are going to listen - and I know the Minister of Career Development and Advanced Studies (Mr. Power) is more prepared to listen than is the Minister of Transportation, is more reasonable, Mr. Speaker, but I hope that the dinosaurs of Cabinet such as the Minister of Transportation are not given too much input into this Process.

Mr. Speaker, there are schools such as the Bell Island Vocational School which has been considerably under-utilized. I think the Happy Valley - Goose Bay Vocational School has been considerably under-utilized. I think that that is a good programme with respect to the movement, but I will have to consult with my colleague from Happy Valley - Goose Bay, and we will have to get some input from the people of Happy Valley - Goose Bay, provided we do not see the shutting out and the cutting back on the vocational side of things, and we see the dollars and the facilities put in to make sure that the academic programmes are there, it would seem to me that the regional college approach for Labrador as a whole is a good step, is a step forward. People will have to travel less. As we know, in Labrador West there has been a lot of concern about the distances that people have had to move, about the expense that will be incurred, or has been incurred by students wishing to seek post-secondary instruction in that area.

MR. SPEAKER (McNicholas):
Order, please!

MR. BARRY:
There are some good initiatives here, if I could sum up, Mr. Speaker, with just a few brief remarks. I think I have dealt with most of it. I would reiterate, Mr. Speaker, do not let the vocational school system become secondary, become submerged in the more theoretical academic programmes, be bold, do not be faddish, do not be trendy in looking at the new courses which should be brought in. Let us be realistic.

I am a bit concerned to see that

the minister has indicated that there should be cuts in electrical linesmen. That does not indicate too much in the way of expectation, to see a Labrador intertie and to see more hydro development in Labrador, if we are talking about reducing the number of linesmen that we are going to have trained.

Mr. Speaker, I would say to the minister do not cut too quickly in the traditional trades, try first to go out and create the jobs and get the economic development programmes which will see construction workers employed, which will see welders employed, which will see millwrights employed, be bold, be imaginative, be creative in these new courses that you are bringing in, and think in terms of the Twenty-First Century, really living up to this notion of having our educational institutes as world-class institutes.

Let us not see the vocational system crying, as is our university, that insufficient resources are being provided to let them do the job, even to keep up with where they are now, much less set themselves out as the best in the world.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER (McNicholas):
Order, please!

At this stage I would like to welcome to the Galleries the following Red Cross Youth delegates: Mr. Manuel Fuertes from Peru and Mr. Agha Wajid Raza from Pakistan, who are accompanied by four Newfoundland delegates, Bridget Lannon, Sheila Kelly, Phyllis Power, Karen Winters, and

also the President of the Newfoundland Division, Ray Hopkins, the Commissioner Fred Squires, with Mrs. Robbins and Mr. John Byrne.

SOME HON. MEMBERS:

Hear, hear!

Oral Questions

MR. BARRY:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Leader of the Opposition.

MR. BARRY:

I must say I am disappointed, Mr. Speaker, that we have not received the statement which was promised to us for this week to set out government's analysis of the federal budget.

Mr. Speaker, I would like to ask the Premier when are we going to hear something from him? We have had the other three Atlantic Premiers setting out in strong terms their concern about the negative impacts of the Wilson budget on their provinces, we have heard Mr. Levesque in Quebec, we have heard a number of other Premiers across Canada, but we all know it is the Atlantic Provinces which are being cut back in a disproportionate fashion, being treated unfairly. When, for heaven's sake, can we expect to hear a response from the Premier of this Province? Mr. Mulroney and Mr. Wilson are indicating that they are receptive to suggestion, to comment, they are indicating concern about whether they have done the right thing, particularly with respect to the de-indexing for senior citizens. Mr.

Mulroney, as I mentioned yesterday, has pointed out that you would have to be an idiot to deny the backlash to the budget.

Mr. Mr. Speaker, when will the Premier live up to his word and the commitment given by him and given by his ministers to have a response to the federal budget in this House this week, or has his silence been bought? Is that the price he has paid for the Atlantic Accord?

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

Three o'clock on Tuesday.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, I hope that the Premier will live up to that commitment better than he lived up to the one to have it brought in this week.

I would now like to ask the Premier can we have a statement from him today that will give some confidence, some security to our senior citizens who are out there looking at, as we pointed out many times in this House of Assembly -

PREMIER PECKFORD:

This is a supplementary now, Mr. Speaker.

MR. BARRY:

Yes, it is a question. - at risk of losing at least \$1,500 cash out

of their pockets over the next five years. They have formed a Grey Panther movement. Now, has the Premier been reading Ogden Nash? Remember what Ogden Nash said, 'If called by a panther, Don't anther'? Is that the Premier's approach to the senior citizens of this Province? Will he give them an answer? What is his position on de-indexation?

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, I apologize that I was unable to have the statement ready for today, primarily because I have not been in my office since last Wednesday morning, for personal and governmental reasons, and, therefore, it was impossible for me to have it ready for today. But, as indicated in answer to the original question from the hon. gentleman, the statement will be given on Tuesday at 3:00 p.m., and that statement will also include all the issues dealing with the federal budget, including the whole question of de-indexation of social security payments.

Secondly, Mr. Speaker, just let me say that, as I have said, I have not been in the office, but I have been on Her Majesty's business, I have been in Ottawa in the last number of days, and we have made certain representations to the federal government already. I will be making that clear to the hon. gentleman, to the House, and to the people of Newfoundland on Tuesday.

Thirdly, also let me say that no other province at this point in

time has done the analysis that we will indicate that we have done on Tuesday coming. The Premiers in the Maritime Provinces made a statement without hardly any analysis of the federal budget. They indicated their positions on a number of policy issues, but they did not go into detail. As a matter of fact, they have asked the Government of Newfoundland for its analysis that we had indicated publicly we were going to give, and we will be sending that to the other Premiers. Nor has the Province of Quebec done a fully analysis on it yet. That is not an easy process to do, to be able to quantify, quantify exactly, what some of these measures will mean. But we have had our people working on it.

We have had some people in Ottawa over the last week or two also getting additional information so that the statement we give is as accurate as we can make it at this point in time. But we will respond to all the issues that impact upon Newfoundland and we will indicate, clearly and unmistakably, what our position is.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, it would not have been impossible to respond were it a Liberal federal government in Ottawa. We would not see the Premier waiting, Mr. Speaker, for weeks to respond to a budget, he would respond the same night, or the next day at the latest. We understand the Premier's definition of leadership is to wait to go find a crowd to jump in

front of. Well, Mr. Speaker, there is a big crowd out there now which is very annoyed with that federal budget.

MR. SPEAKER:
Order, please!

Would the hon. the Leader of the Opposition (Mr. Barry) put his question?

MR. BARRY:
Mr. Speaker, there is no need for any extensive analysis, the analysis has been done by the federal Department of Finance.

MR. J. CARTER:
A point of order, Mr. Speaker.

MR. SPEAKER (McNicholas):
A point of order, the hon. the member for St. John's North.

MR. J. CARTER:
I do not know if the Leader of the Opposition is aware that his outburst has caused some distress in the gallery. An infant just had to be carried out crying because of the outburst of another infant.

AN HON. MEMBER:
That is not a point of order. Throw him out.

MR. SIMMONS:
Mr. Speaker, do your job.

SOME HON. MEMBERS:
Oh! Oh!

MR. SIMMONS:
Disgusting! Go back to your (inaudible).

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

There is no point of order. I

would remind all hon. members that for a supplementary question there is no need for a preamble.

The hon. the Leader of the Opposition.

MR. BARRY:
Mr. Speaker, I would ask the Premier is he aware -

MR. SIMMONS:
A cohort, that is all he is.

MR. PEACH:
Mr. Speaker, sit him down.

MR. BARRY:
Mr. Speaker, there is one infant that has not yet been removed from the House.

MR. J. CARTER:
A point of order, Mr. Speaker.

MR. SPEAKER (McNicholas):
Order, please!

A point of order, the hon. the member for St. John's North.

MR. J. CARTER:
I am not aware.

MR. SIMMONS:
Mr. Speaker, do your job this time.

MR. SIMMS:
Mr. Speaker, kick him out.

MR. J. CARTER:
I am not aware, Mr. Speaker, whether Your Honour is choosing to ignore the insulting comments from the member for Fortune - Hermitage (Mr. Simmons) against Your Honour, but I think it is disgraceful and I think the hon. member should be brought to order.

MR. SPEAKER (McNicholas):
To that point of order, I did not hear the comments made by the

anybody other than the members I have mentioned, but, of course, I will be checking on Hansard, as I do every day, and I will act accordingly if there is something in Hansard that I feel should not have been stated. I am not suggesting that there is, but if there is, well, I will deal with it the following day.

The hon. the Leader of the Opposition.

MR. BARRY:

I am not sure if it is possible to get a baby's highchair that would handle a two hundred and fifty pounder, Mr. Speaker, but perhaps that is the seating arrangement that we should have in the back rows there.

Mr. Speaker, is the Premier aware that the federal Department of Finance has prepared a detailed analysis showing account by account under each heading where the cutbacks will be? And is it not very obvious, and has it not been obvious from about day two that this Province is going to be severely hurt, that the senior citizens of this Province are going to be severely hurt, that the poor of this Province are going to be severely hurt? Surely the Premier must have seen that analysis by now.

MR. PATTERSON:

You have some interest in the poor, all right.

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

First of all, the hon. the Leader of the Opposition (Mr. Barry) in a

number of his preambles to his supplementaries has made the charge, how come we responded so quickly when his party was in power in Ottawa. Mr. Speaker, that is easy to answer. It was the party the hon. member belongs to which tried to rob us of our rights under the Constitution and we stood firm to make sure that they could not change anything in this Province without our consent.

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

It was the party the hon. the Leader of the Opposition belongs to which tried to take away our offshore resources and treat us like second-class citizens in this Province. That is why, Speaker, we responded the way we did, and, Mr. Speaker, that is why we won the battles that the Leader of the Opposition got scared about and ran across the House about, a number of years ago.

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

Now, Mr. Speaker, it just so happens that unlike the Leader of the Opposition there is more to the federal budget than the things that he mentioned, there are commodity taxes, there is a whole range of things, and what we want to do, rather than ad hocly respond to all the documents, the five or six documents, including the budget document that was brought down by the Minister of Finance (Mr. Wilson) in Canada, is to go through all of the measures so that we will have a comprehensive response for the hon. the Leader of the Opposition, for the federal government, and for the people of Newfoundland.

That is what we are going to do on Tuesday, and if the hon. the Leader of the Oppositie does not like it, that is too bad.

MR. BARRY:
Mr. Speaker.

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

MR. BARRY:
Mr. Speaker, I would just like to table this document that has been leaked from the federal Department of Finance. It is marked 'Secret'. I think it was received by us about two days after the federal budget. I would like to table that just to let the Premier have his analysis

DR. COLLINS:
That is old hat.

MR. SIMMONS:
It is not old hat for us.

MR. SPEAKER:
Order! Order!

MR. BARRY:
The great Newfoundland fighter, Mr. Speaker, is at it again. The only problem is he does not know when to fight and when to negotiate. I would like to go to another question now, Mr. Speaker.

PREMIER PECKFORD:
A point of order, Mr. Speaker.

MR. SPEAKER (McNicholas):
Order, please!

A point of order, the hon. the Premier.

PREMIER PECKFORD:
Is the Leader of the Opposition allowed to get up on a supplementary on the budget -

MR. BARRY:
No, it is not a supplementary, it is a new question. Sit down! This is a new question.

PREMIER PECKFORD:
- and start on a supplementary, get half way through and then say, how about another question? Now, let the Leader of the Opposition ask his question.

MR. BARRY:
Sit down! Sit down! There is no point of order.

MR. SPEAKER:
To that point of order, as I understood it the hon. the Leader of the Opposition was getting up on a different question, but I would like to point out to the Leader of the Opposition that he did take up a considerable time in tabling a document rather than asking a question.

The hon. the Leader of the Opposition.

MR. BARRY:
Now, Mr. Speaker, this is a new, pristine question, it has not been touched by naked hands before. I would like to have a little preamble for this brand new question.

We have seen the Premier showing the silence of the grave as far as the federal budget is concerned and yet, Mr. Speaker, he can have, and he could have had, a very direct influence on the Prime Minister of Canada and Michael Wilson, the Finance Minister. As have the other Atlantic premiers, he could have a direct influence on them. On the other hand, Mr. Speaker, in a forum where he has very little influence we see the Fighting Newfoundlander getting into a fight with the Governor of

Maine with respect to salt fish imports. I ask the Premier, was that not the place for quite diplomacy rather than making political Brownie points for the television cameras? What did the Premier achieve by getting the backs up of the New England governors with respect to the importation of fish. When will the Premier learn when the time is for quiet diplomacy and when is the time for speaking out for the interests of this Province?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, number one, it was not the Governor of Maine, it was the Governor of New Hampshire. The Governor of Maine supported the position put forward by the Eastern premiers, the Governor of Massachusetts supported it, the Governor of Connecticut supported it, the Governor of Maryland supported it and the Governor of Vermont supported it. That is number one. So the hon. the Leader of the Opposition (Mr. Barry) should get his facts straight. It was only the Governor of New Hampshire. Number two, Mr. Speaker, it was comments by the Deputy Minister of Fisheries for Nova Scotia and the Premier of Nova Scotia, but mainly the Committee report, that the Governor for New Hampshire was opposing.

MR. BARRY:

You were sitting there looking at it.

PREMIER PECKFORD:

I happened to be there.

It was the definition of subsidy as defined by the Deputy Minister of Fisheries in Nova Scotia and that definition was going to be the GATT definition that the hon. the governor was all upset about. I cannot help it if the Leader of the Opposition does not like that. We had several behind the scenes meetings with the governors and the premiers at that meeting and we had a number of public meetings. Now, Mr. Speaker, I have to, after we have examined the facts as it relates to the fishing industry in Newfoundland, defend the interest of Newfoundland. On the one hand the Leader of the Opposition gets up for a question and says I am not defending the interests of Newfoundland and then he comes with a new question and says, now that I am defending it I am being a separatist all over again and doing things wrongly. Well, the Leader of the Opposition cannot have it both ways. When I think it is in the interest of Newfoundland to defend Newfoundland that is what I will do, and I will take no instructions from the Leader of the Opposition.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Leader of the Opposition.

MR. BARRY:

That is the best example I can see proving the very point that I was making. As long as he is speaking out he feels that that is enough. It has nothing to do with whether or not he is effective in speaking out. The point is will the

Premier explain to this House why he has been as silent as the grave with respect to protecting the elderly when he could have been effective and has been antagonizing? Let us not have the Premier try and weasel out of the fact that the Governor of New Hampshire, the Governor of Maine and the other New England governors, Mr. Speaker, pointed out to the Premier that they consider their fish every bit as important as Newfoundland fish.

MR. MARSHALL:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, I would like to quote to Your Honour page 132 of Beauchesne, Paragraph 359, "The Speaker expressed some general principles in order to clarify the regulations and restrict the negative qualifications which traditionally have guided the Question Period: (2) The question must be brief." - This refers to the question - "A preamble need not exceed one carefully drawn sentence." Now, get that, Mr. Speaker. "A long preamble on a long question takes an unfair share of time and provokes the same sort of reply. A supplementary question should need no preamble."

Now, Mr. Speaker, it is quite obvious the way the Leader of the Opposition is asking his questions there are long preambles. Apart from the fact that he cannot contain himself, he has got to shout because of his mad jealousy of the Premier that comes through every time. This is the House of Assembly, Mr. Speaker, and he is

taking too long with his questions in Question Period. He is out of order.

MR. SPEAKER (McNicholas):

To that point of order, I think that point of order is well taken. I did recognize the hon. the Leader of the Opposition a few minutes ago and I understood it was a main question and that this is a supplementary one to that. If that is so, there is no need for a preamble to it. So I would ask the hon. member to direct his question.

MR. BARRY:

Well, I asked a few main questions but I will just ask the Premier a quickie now. When the Premier said he intended to speak out whenever he considered it effective in the interest of the people of this Province, does this mean that he does not consider it effective to speak out on behalf of the senior citizens of this Province? And if he does consider it effective to speak out, will the Premier instruct his Government House Leader (Mr. Marshall) to agree to this resolution we have been attempting to have tabled in this House, where I move, seconded by the member for Bellevue (Mr. Callan), 'That this House unanimously condemn the Wilson Budget and the Government of Canada for its de-indexing of senior citizens pensions and for attempting to cure deficit problems on the backs of the aged and the poor'?

MR. SPEAKER:

Order, please! Order, please!

The hon. member knows quite well he has to have leave to move. The hon. member asked a question but following the question he read this statement that he attempted

to bring before the House on a number of occasions and it was ruled out of order. So I would call on the Premier.

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, the Leader of the Opposition is real touchy. I do not know if it has anything to do with the fact that he went to Nova Scotia this week and got on page twenty-one of The Mail Star while I was getting headlines in Nova Scotia while he was there. I do not know if that has anything to do with it. He is awful touchy, Mr. Speaker.

When the federal budget came down, the night that the budget came down we issued a preliminary statement on the budget indicating a whole range of concerns that this government had on behalf of the people of Newfoundland and Labrador. And we went on to say, Mr. Speaker, that after we analyzed the budget we would then make a comprehensive statement on it, dealing with the senior citizens, dealing with the commodity taxes, dealing with transportation policy, dealing with regional development policy, and that is what we will do, Mr. Speaker, on Tuesday at 3:00 P.M. If the hon. members want to be here and want to know what our full position is on that matter, that is what we are going to do. But we are not going to be dictated to by the Leader of the Opposition who heads a party that supported a party in Ottawa that wanted to see Newfoundland go down the drain so fast that it was not even funny. We are not going to allow the Liberal Party of Newfoundland to put the clock back. We are going to go ahead in Newfoundland, Mr. Speaker, with or

without the Leader of the Opposition.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Leader of the Opposition.

MR. BARRY:

I ask the Premier, will he or will he not instruct the Government House Leader (Mr. Marshall) to grant leave to have this resolution to protect senior citizens go from this House to the Government of Canada? Will he or will he not?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, I have indicated to the Leader of the Opposition that we will make our position clear on the whole question of senior citizens, as we will regional development, as we will transportation policy, as we will other items in the budget which impact upon Newfoundland and Labrador. That is what I am going to do. The Leader of the Opposition is not going to instruct me, nor am I going to instruct anybody else, on how this side of the House wants to operate the business of this House.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. BARRY:

A new question, Mr. Speaker. Now the Premier is the Premier of this Province and as such, Mr. Speaker, should recognize that his words should be his bond, that we have seen instances where he has broken his word - for example, with respect - to bringing in an Elections Act and having it passed through this House, Mr. Speaker - but I would ask the Premier has he now adopted the procedure of cavalierly giving his bond, making a commitment and then ignoring it?

I will just start off with a couple of examples. First, does the Premier intend to live up to his commitment, Mr. Speaker, with respect to improving facilities for members of this House, whether Opposition or government members, as was brought up while he was absent? I refer to his remarks on the day of the Throne Speech where he said, "I agree something should be done between now and then", then being 1987, "for facilities for hon. members." Does the Premier still agree that something should be done and does he intend to do something about it?

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

PREMIER PECKFORD:

Yes, Mr. Speaker, but I get disturbed day by day as I witness the hypocrisy being demonstrated by hon. members opposite when they get up to debate estimates and so on, both in Committee and in this House, when they start talking about members and ministers or the Premier of the Province having too much money for this or too much money for that and then, on the other side of their mouth, they are looking behind the scenes, negotiating with some of our backbenchers and all the rest of

it, to ask for more money for themselves.

MR. BARRY:

Oh, do not be so foolish!

PREMIER PECKFORD:

You are practicing hypocrisy all the way to the bank.

Now secondly, Mr. Speaker, yes is the answer to the question.

MR. BARRY:

When? When?

PREMIER PECKFORD:

Today if you want to do it.

MR. BARRY:

Do it.

PREMIER PECKFORD:

Okay, we will have four on a committee from our side, two from your side and the member for Menihek (Mr. Fenwick), have an ad hoc committee of the House to now draw up a mandate to study the facilities and the benefits -

MR. BARRY:

What do you mean, study? Go down and study the rain coming in!

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

Order, please!

PREMIER PECKFORD:

Mr. Speaker, the rain falls on certain people and the sunshine falls on others.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. Leader of the Opposition.

MR. BARRY:

And unfortunately, Mr. Speaker, there are some premiers who think that the sun shines out of certain portions of their anatomy.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

Now, Mr. Speaker with respect to another commitment, a district commitment, but again I just refer to it as an example of the Premier giving a commitment and not living up to it. The Premier, I am sure it was just coincidental, during the course of the election campaign on Mount Scio - Bell Island, sent a letter over promising to set up a committee to review the ferry rates for the Bell Island ferry. That was tabled in this House and the Premier stated, "Yes, I am sorry. I am late." Now, Mr. Speaker, will that committee be set up and will that committee be instructed to start work to review the ferry rates for the Bell Island ferry or is the Premier going to break his word on that one also?

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

There is a letter gone to the Leader of the Opposition on this matter. It is in the system. The committee is going to be established and we are going to move ahead to keep the commitment that we made to the people of Bell Island. If the Leader of the Opposition just was not so touchy and so frivolous and jealous, you know, he would wait. If the Leader of the Opposition sends me a letter he will get an answer back, and the answer will come back, going along with the committee that we had promised to set up for the people of Bell

Island to study their transportation system and to see whether the subsidies now in place are too high or too low, what we are going to do. We will take action, Mr. Speaker, no problem. We will take action on the other matter of the facilities and that in the House in concert with the members opposite and in concert with the member for Menihek (Mr. Fenwick). I think the right way to approach it is to sit down and study it over the Summer so that in the Fall when we come back we can have some decent recommendations coming forward. No problem, Mr. Speaker. Every commitment we make we will keep. We will even keep the further commitment that we made to the people of Newfoundland on April 2, that the people opposite will remain where they are for the next decade.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. Leader of the Opposition.

MR. BARRY:

Mr. Speaker, the people of Newfoundland will be more interested in the Premier keeping his commitment to create a few jobs.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

I would like to ask the Premier a new question, Mr. Speaker. In light of the indicated resignation of Premier Levesque of Quebec, would the Premier inform the House how he sees this impacting upon what I understand were new

arrangements going in place to recommence negotiations with respect to the Upper Churchill contract and the development of further hydro sites in Labrador? It seems to me that there could still be a good opportunity if Premier Levesque decided that he wished to make his mark in Canada and in Quebec, before resigning, as a statesman, he could institute an initiative that could resolve this dispute where it would not be politically advantageous for him because he was going. Mr. Speaker, I would urge the Premier to continue to follow-up on that initiative even though Premier Levesque has indicated he will be resigning.

SOME HON. MEMBERS:

Oh, oh!

MR. BARRY

This is a serious matter now. It is something that we should have some response from the Premier on.

MR. SPEAKER (McNicholas):

Order, please!

Maybe the hon. member would put his question?

MR. BARRY:

It seems to me, Mr. Speaker, that his potential replacement is one of probably three and I wonder if the Premier would indicate how he would feel in terms of negotiating with either Pierre-Marc Johnson, who seems to be a reasonable individual, Yves Duhaime, whom I have also had the opportunity to have some discussion with and who seems to be reasonable, and Bernard Landry, who of the three is probably the more militant but whom I think we should also approach from the point of view of his being reasonable and prepared to try and settle this outstanding

problem. How does the Premier see this general problem now in light of the new political developments in Quebec?

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

The hon. Leader of the Opposition (Mr. Barry) loves dropping a few names, he knows all these people inside out. Boy, wonderful stuff! The Leader of the Opposition's preamble had to do with jobs, Mr. Speaker, and I do not think we should forget that. From April to May this year 9000 new jobs were created in Newfoundland and Labrador.

SOME HON. MEMBERS:

Hear, hear:

PREMIER PECKFORD:

Not 1000, not 2000, not 5000, but 9000 new jobs were created, Mr. Speaker.

MR. BARRY:

A point of order, Mr. Speaker.

MR. SPEAKER:

The hon. Leader of the Opposition.

MR. BARRY:

I would ask the Premier to withdraw this misleading of the House, where it has been clearly pointed out there are fewer people working in this Province as of the end of May 1985 than were working at the end of May 1984, and the Premier knows that.

PREMIER PECKFORD:

To that point of order Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

The hon. member, in the House last

week, quoted what Oliver Wendell Holmes said, "It is not where you are at any one time, it is in what direction you are heading." And we are heading in the right direction, Mr. Speaker, with 9000 more jobs in May than there were in April.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

There is no point of order. The time for Oral Questions has now elapsed.

MR. BARRY:

Does the Premier, by leave, want to give an indication on the Hydro-Quebec thing?

PREMIER PECKFORD:

If the hon. Leader of the Opposition (Mr. Barry) wants to give me leave, I will be briefer on my answer than he was on his question.

MR. SPEAKER:

Does the hon. Premier have leave?

SOME HON. MEMBERS:

By leave.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Number one, I think, the Leader of the Opposition may have a good point, it may be a good time, before Mr. Levesque steps down, because there will be some time before the leadership convention, where he could make a mark to resolve an outstanding issue. And given the fact that the leader of the Liberal Party of Quebec would be very happy, once he becomes Premier again, if in fact he does,

to forge new deals, then he would not have any problem with what Mr. Levesque would have done up to the time he resigned, so I see it as an opportunity. I do know Mr. Pierre-Marc Johnson real well and I have had meetings with him in the last number of days, I know Mr. Landry fairly well, and I know Mr. Duhaime fairly well. Either one of these three, no doubt we could work with. But now, in this interim period in the history of politics in Quebec, it may be an opportunity to pursue and resolve some of the problems outstanding between Quebec and Newfoundland and I intend, with all the energy that I have, to see that we do the best job possible in this interim period.

SOME HON. MEMBERS:

Hear, hear!

Answers to Questions
for which Notice has been Given

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

Last night in the House, Mr. Speaker, the member for Bonavista North (Mr. Lush) brought up an issue and a problem in his district concerning some fishermen on UIC. So I would like to table some information for the hon. member and perhaps he might want to talk to the Minister of Career Development and Advanced Studies (Mr. Power), the Minister of Fisheries (Mr. Rideout) and myself about it afterwards. This information concerns a Telex that I sent to the Prime Minister back in March, I think, and there were

also copies to all and sundry about the issue, and a response that I got back from the Prime Minister three or four weeks later; then a telegram by the Minister of Career Development and Advanced Studies to the Minister of Employment and Immigration (Miss MacDonald), and the answer he got back from her; and, also, correspondence of support from the Minister of Justice (Mr. Crosbie) for Canada, and Newfoundland's representative in the Federal Cabinet. So I table this for the hon. member, as I undertook yesterday that I would get it as quickly as I can.

While I am on my feet, I also undertook to get some information for the member for Eagle River (Mr. Hiscock) and we should have that in his hands before the day is out. So I table this information.

Petitions

MR. LUSH:
Mr. Speaker.

MR. SPEAKER (McNicholas):
The hon. the member for Bonavista North.

SOME HON. MEMBERS:
Hear, hear!

MR. LUSH:
Mr. Speaker, not only do I consider it my duty and my pleasant duty, but I am honoured and privileged this morning to present a petition on behalf of approximately 2,200 workers, 2,200 concerned workers in the St. John's area, 2,200 ordinary Newfoundlanders, Mr. Speaker, 2,200 who are concerned with the labour dispute, the very serious

and very grave labour dispute that we are presently having with the breweries in this Province.

Now, Mr. Speaker, the prayer of this petition is for the resolution of the strike to get workers back to work. I will get to the prayer in a moment. But, Mr. Speaker, I am not sure that hon. members opposite understand this labour dispute. It is one of the most serious that we have ever had in this Province and one of the most unusual. I am not sure that we have ever had a labour dispute like this one. And I want to ask the question what is unusual about this labour dispute? And in answering that question I think we also find a resolution to the labour dispute. I have said, Mr. Speaker, that it is an unusual labour dispute. What we have is one strike. There is a strike at Labatt's.

MR. PATTERSON:
There is nothing brewing.

MR. LUSH:
Now that is how serious members opposite take this! That is why we are in the situation, Mr. Speaker, and I do not want to be interrupted, Mr. Speaker, by frivolous remarks. I only have five minutes and I want to make my point for these 2,200 workers.

SOME HON. MEMBERS:
Hear, hear!

MR. LUSH:
Mr. Speaker, what is unusual about it, if the hon. gentlemen want to understand it, is we have a strike by one unit, and the other two groups, at Molson's and Carling-O'Keefe, are locked out. Now why do we have this situation? Three breweries, one strike, and yet the whole system

is down. Why do we have that? Do hon. members know? Do hon. members know why we have that situation? Do they know why?

MR. BARRY:

They do not know the war is over.

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

The reason, Mr. Speaker, we have that is because of a piece of legislation that allows companies, that allows employers, to form a group against workers, to form a group in terms of collective bargaining. Now, Mr. Speaker, what happens when they have this group in the beginning, in this particular situation, this employers' group was negotiating with three unions, but it is now down to two.

When we have this kind of a system, Mr. Speaker, with competing companies, if one company does not agree with the settlement, then the contract is not signed. Or if there is a strike, as we have in this situation, all the other workers are locked out. What is happening, Mr. Speaker, is that the companies have the controlling hand, the employers have the controlling hand. It is a system of divide and conquer. That is what it is, Mr. Speaker, a system of divide and conquer.

DR. COLLINS:

We are aware of things.

MR. LUSH:

And I hear the Finance Minister (Dr. Collins), who, Mr. Speaker, again has no sensitivity to the workers of this Province, none in the world.

DR. COLLINS:

We are aware of all of this.

MR. SIMMONS:

There he goes again. A caricature.

MR. LUSH:

Mr. Speaker, I have addressed this situation and I have said that Clause 56 gives companies or employers the right to set up a group, Mr. Speaker, to set up an organization in the sense of collective bargaining. Mr. Speaker, how popular is this legislation? If this were good legislation I am sure it would be in existence in every province in Canada, because we are not exactly a leader with progressive labour legislation. If this were good labour legislation it would be everywhere in Canada. It is only in three provinces by legislation - and none of these provinces are known for their progressive labour legislation, let me tell you - British Columbia, Alberta, and this Province. These are the only three provinces that have this legislation.

Mr. Speaker, the prayer of the petition: As the brewery strike at Labatt's continues and the other breweries continue to lock out its employees and as this lockout is the result of the three breweries joining together in a cartel, thus preventing duly certified unions Carling-O'Keefe and Molson's from signing a new collective agreement -

MR. SPEAKER (McNicholas):

Order, please!

The hon. member's time is up.

SOME HON. MEMBERS:

By leave! By leave!

MR. LUSH:

I just want to complete the prayer of the petition.

MR. SPEAKER:

Does the hon. member have leave?

SOME HON. MEMBERS:

By leave.

MR. SPEAKER

The hon. the member for Bonavista North.

MR. LUSH:

- we ask that the Government of this Province take a serious look at the existing legislation and introduce changes which would break the cartel of the three breweries in an effort to get all those who want to work back to work.

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

Mr. Speaker, I whole-heartedly support this petition, and ask that it be placed on the Table of the House and referred to the appropriate department.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, I rise to support that petition. I hope we will see somebody rise on the other side of the House and indicate that government is prepared to support it as well. I am very sad to see the humour with which members opposite have taken the problem as

pointed out by my colleague from Bonavista North (Mr. Lush). Maybe if the Minister of Finance (Dr. Collins) walked the picket lines for a few days he would find things a little less humorous. Maybe it is time we cut off his salary.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

Order, please! Order, please!

During our debate here there can be no applause or any comments whatever from the galleries and if there is any further we will clear the gallery.

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, that is, I think, an unnecessary reaction in that what we are having is provoked by the contempt that is being shown by individuals like the Minister of Finance and other members opposite for the serious problem that is being experienced by individuals, workers and families.

DR. COLLINS:

I said we have knowledge of it. It has been going on for weeks and the Opposition just found out about it.

MR. BARRY:

All the more reason you should do something about it!

MR. SPEAKER (McNicholas):

Order, please!

MR. BARRY:

It is all the more reason you should do something about it. The member for Bonavista North (Mr. Lush), the Labour spokesperson

over here on this side, has been up half a dozen times in this House, as has the member for Port de Grave (Mr. Efford), and I have commented on it and others on this side have commented on it. Now, Mr. Speaker, what we have here are individuals caught up in a process that we really have to ask the question is this process necessary? The new Minister of Labour (Mr. Blanchard) is not going to be able to get off the hook by saying he is the new minister because he was the deputy minister when that legislation -

MR. BLANCHARD:

Wait until I say I want to get off the hook.

MR. BARRY:

Well, do something if you do not want to get off the hook. He was the deputy minister of the department and has to take a responsibility for that piece of legislation. Now, let us hear from the minister. Does he feel that the intent of that legislation was to apply to the employers which are dealing with the unions now in question? Was it intended that this legislation was to apply to all sectors of industry or was it intended for the construction industry? Is the minister going to take a look and see whether that legislation is appropriate today in this Province in the light of the dispute we have going on now between the various breweries? We have individuals in two unions in this Province who are ready to go back, to conclude an agreement and, because there is another unit with another employer that is still unable to finalize a deal, they are left out on the street. Now, there is something wrong with that situation, there is something that gets away from the democratic

process, that gets away from letting the individual express his will by voting through his bargaining unit, Mr. Speaker, and the Minister of Labour (Mr. Blanchard) is going to have to take a hard look in light of this situation because it will apply to other groups as well in this Province. Should that legislation stay as it is? Was it even intended that that legislation should apply to these companies to permit the employer organization that would put these unions in the position it has been able to put them in? Now would the Minister of Labour stand up, take responsibility for that legislation and give some response and let us have some action instead of the motherhood statements we have been getting from him for the past several weeks?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

The hon. the Minister of Labour.

SOME HON. MEMBERS:

Hear, hear!

MR. BLANCHARD:

Mr. Speaker, I am happy that I have better manners than the Leader of the Opposition (Mr. Barry). I do not stand up when somebody else is speaking. I was waiting for you to sit down.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (McNicholas):

Order, please! Order, please!

MR. BLANCHARD:

Mr. Speaker, the member from Bonavista North (Mr. Lush) has said that the dispute is unusual,

he has said that we have never had a dispute like this before. I am not certain that these are accurate remarks. That is not to say that we are not very concerned about this dispute, we have been very concerned. I am personally very concerned as the Minister of Labour that a set of negotiations between a union and a brewery where they have a certification order, or they are recognized in this case as the bargaining agent for that particular brewery, that these negotiations have caused the negotiations at two other plants to be stalled, where there are lockouts, but unfortunately that is the law. The Leader of the Opposition was Acting Minister of Labour for four months at one time and I never saw him do any uprooting of the legislation when he was there.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (McNicholas):

Order, please!

MR. BLANCHARD:

Mr. Speaker, I would refer the hon. the Labour critic, the member for Bonavista North (Mr. Lush) -

MR. SIMMONS:

A point of order, Mr. Speaker.

MR. SPEAKER:

Order, please! Order, please!

A point of order, the hon. the member for Fortune - Hermitage.

MR. SIMMONS:

Mr. Speaker, as I understand the rules this is the period for people to support petitions. Now, Mr. Speaker, in order to support petitions it is axiomatic that you understand what the petition is about. How can the minister stand

in his place and say he is supporting the petition, and he has not said yet whether he supports it, but how can he be supporting it if he does not understand it? Now the prayer of the petition is that the legislation be changed. That is the whole point of the petition. Now either he supports that, he is prepared to undertake steps to get the legislation changed, or he should sit down. He has no business speaking in this petition if he is not prepared to support the petition.

MR. MARSHALL:

To that point of order, Mr. Speaker.

MR. SPEAKER (McNicholas):

To that point of order, the hon. the President of the Council.

MR. MARSHALL:

The Minister of Labour (Mr. Blanchard) is responding to this petition on behalf of the government and indicating the concern which all members of the government share with respect to it. I am trying to explain the situation. Look, the hon. minister only has five minutes and I think the hon. gentlemen there opposite can give him the courtesy of responding.

MR. SPEAKER (McNicholas):

Order, please!

To that point of order, there is no point of order.

The hon. the Minister of Labour.

MR. BLANCHARD:

Mr. Speaker, first I would like to tell the member from Fortune - Hermitage (Mr. Simmons) that I do not need instructions from him to understand the petition or the

prayer of that petition.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMONS:

Are you going to change the legislation? If you support the petition you support changing the legislation.

MR. SPEAKER (McNicholas):

Order, please! Order, please!
Order, please!

MR. BLANCHARD:

Mr. Speaker, we are past the Question Period. I will tell the member in good time how I feel about the petition.

Mr. Speaker, Section 5 of the Labour Relations Act sets forth certain basic freedoms and it states that every employee has the right to be a member of a trade union and to participate in its activities. Now there is a countervailing privilege and right to employers in Subsection 2 which states that every employer has the right to be a member of an employers' organization and to participate in its activities. Now that has been in the Labour Relations Act since we have had a Labour Relations Act in this Province, it is nothing new or unusual.

Under section 56 there are certain conditions precedent set forth to an employers' organization being formed, and certain things that they have to do, notifications to the minister and to the respondent unions in deciding that they are going to bargain as a group. Now I am very, very happy, I have always been happy, to look at any reasonable request. When I was a deputy minister, as the Leader of the Opposition (Mr. Barry) has

said, we often discussed amendments, we often made good recommendations for changes in labour legislation. I am very happy and open to look at the prayer of the petition and to examine it. I do not know whether the hon. member for Bonavista North (Mr. Lush), is accurate in saying that only three provinces have this, I have serious doubts as to whether he is. But I will carefully examine the petition and look into its impact upon negotiations in this Province, Mr. Speaker.

MR. TULK:

Are you going to support it or what?

MR. BLANCHARD:

Yes, I support it. I have said I support it.

MR. SPEAKER (McNicholas):

The hon. Minister of Public Works.

MR. YOUNG:

Mr. Speaker, I ask leave to present a petition on behalf of 1,076 taxpayers in the town of Harbour Grace. The prayer of the petition, Mr. Speaker reads, "We, the undersigned citizens of Harbour Grace, strongly object to the excess taxes imposed by the town council and request that the taxes for 1985 be reduced to the 1985 level."

[Interjections from the Public Gallery]

MR. MARSHALL:

I have to rise on a point of order on this.

MR. SPEAKER:

A point of order, the hon. Government House Leader.

MR. MARSHALL:

I realize the individuals are leaving, but I want to just make a succinct point, Mr. Speaker. When we hold sessions in this House, and we can have strong debate as we have strong debate, coming across from one side to the other from time to time, the only people who are able to speak in this House are the duly elected members returned to this Assembly. If we get to the stage, as we are hearing now, where people are coming into the House and sitting in the galleries and shouting to the degree that we have had it there, you are going to have a bear pit, you are going to have disruptions. It is the kind of stuff that really erodes and derogates from the whole process of the parliamentary system. I did not want to have to do this, because what happens when people are in the gallery of the House and a member on either side rises and makes an observation, then it becomes very difficult to do it. But I have to say, Mr. Speaker, that in instances such as this I do feel that if there is any murmur at all from a gallery from the point of view of making any noise at all, applause, approval or what have you, that I think it has to be stepped on and has to be stepped on very quickly in the interest of the thing.

MR. BARRY:

To that point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. BARRY:

I agree with the Government House Leader, Mr. Speaker, that in this House there has to be proper decorum, there has to be proper

respect for the House. But, Mr. Speaker, there is such a thing as human nature and there is such a thing as reasonableness. The minister is overreacting, Mr. Speaker. The minister did not have the guts to get up and come on with this fascist type approach. What is the minister saying? You know what happened there this morning! You had people up in that gallery with a serious problem looking down and listening to the member for Placentia (Mr. Patterson), a buffoon from Placentia, making a joke, looking down at the Minister of Finance, laughing at the problem, chuckling and chortling.

Now, Mr. Speaker, I would say that the response of those individuals was not unreasonable. I would say, no, it is not, it is not proper but it is understandable. It is understandable when the Minister of Finance (Dr. Collins) is there flung off laughing at their problems, when the member for Harbour Grace (Mr. Young) is saying, "I do not drink beer," as though that was the sum total.

SOME HON. MEMBERS:

Oh, oh!

MR. BARRY:

I am not finished yet, there is a point of order there.

MR. SPEAKER:

Further to that point of order, the hon. the hon. President of the Council.

MR. MARSHALL:

The hon. gentleman sat down.

MR. BARRY:

No, I did not sit down. I did not hit my chair. I thought he was rising on a point of order.

Now what we have here, Mr. Speaker, was not any great disorder -

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

I understood the hon. member did sit down and I recognized the hon. the President of the Council. Maybe I was seeing things but I understood you took your seat just a moment ago.

MR. BARRY:
The member for Harbour Grace (Mr. Young) was standing on what appeared to be a point of order, Mr. Speaker.

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

MR. YOUNG:
You lied to the widows and orphans and you should be kicked out. That is what is wrong with you.

MR. BARRY:
I beg your pardon?

MR. TULK:
Mr. Speaker, did you hear that?

Would the Speaker check Hansard to see what was said there?

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

MR. TULK:
I can understand that she is falling abroad over there but will the members keep it at a certain basic level instead of that low-life type of comment that is coming from the member for Harbour Grace.

MR. YOUNG:
If anybody drowned, you ought to.

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

MR. BARRY:
As we have had from Grand Bank (Mr. Matthews), as we have had from Burin-Placentia West (Mr. Tobin).

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

MR. BARRY:
They are going to get as good as they give, Mr. Speaker. But I point out to the Government House Leader that there was nothing unruly. There were a few comments by members as they were walking out of the House -

DR. COLLINS:
Do you condone those?

MR. BARRY:
No, I do not condone it. - expressing their disgust with what they saw on that side of the House, Mr. Speaker, and I can understand that. With the laughter that was coming, with the lack of regard that was coming from members opposite, I can understand those individuals being fed up with what they saw here this morning.

MR. MARSHALL:
Mr. Speaker.

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

MR. MARSHALL:
Mr. Speaker, I do not agree with the hon. gentleman and I am just going to make this point again. It does not matter, I could not care less whether any person in the gallery was disgusted with comments, which I do not think there was reason to be, or there was any disapproval of comments;

if you get an Assembly where people come in, anybody comes in, I do not care whether they like it or whether they dislike what they hear, they should not be allowed to do that. I got up and made what I hoped was an appropriate observation. I am rather sad that the Leader of the Opposition still wants to obviously play politics with it. I will not say any more but I made the point and I hope it will be acted upon in the future.

MR. SPEAKER (McNicholas):

To that point of order, obviously nobody in the Gallery can make any comment. I did draw the attention of the House to that fact when there was an interruption earlier. The people who were on my left kept quiet right through the various comments from each side until just at the end when they had left here. I am sure all hon. members will agree that we will have to make sure that there are no comments and that there is proper behavior in the Gallery. I do not think there is any question whatever about that.

MR. BARRY:

I would not like to see a Fascist regime, though. I know the Government House Leader (Mr. Marshall) would feel very comfortable with me.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please! Order, please!

Time has elapsed for the petition of the hon. Minister of Public Works (Mr. Young).

SOME HON. MEMBERS:

By leave! By leave!

MR. SPEAKER (McNicholas):

Is leave granted?

SOME HON. MEMBERS:

By leave!

MR. SPEAKER:

By leave, the hon. Minister of Public Works.

MR. YOUNG:

I was presenting a petition on behalf of 1,076 residents of the town of Harbour Grace and the prayer of the petition, Mr. Speaker, was, "We, the undersigned citizens of Harbour Grace, strongly object to the excessive taxes imposed by the town council and request that the taxes for 1985 be reduced to the 1984 level.". Now, Mr. Speaker, these taxes are imposed. Although the mil rate was dropped, the appraisal rate has almost doubled in the town and it is quite a burden on those people with fixed incomes. I think, Mr. Speaker, that the tax system should be phased in. From 1984 until a new tax year comes in in 1985, taxes have doubled or in some cases tripled.

I ask, Mr. Speaker, that this petition be tabled and referred to the department to which it relates.

MR. SPEAKER (McNicholas):

Are there any further petitions?

The hon. Minister of Municipal Affairs.

MR. DOYLE:

Are you responding to that?

MR. BARRY:

Mr. Speaker.

MR. SPEAKER (McNicholas):

Oh, that is all right. If you wish to respond, the hon. Leader

of the Opposition.

MR. BARRY:

Thank you. I would like to respond briefly. I thank the Minister of Municipal Affairs. Mr. Speaker, we support the concerns of the residents for Harbour Grace. I wonder if I could see the prayer of the petition. Does the Clerk have the petition? Where is it? Has it disappeared? The petition from Harbour Grace, could we see it please?

Is it a petition that is addressed to this House? Well, we will not be technical about it. The way the petition is worded it is addressed to the town council, but we would support the concerns of citizens in Harbour Grace. We would point out, however, Mr. Speaker, that in many cases, and I cannot say definitely whether it is true in the town of Harbour Grace, whether they need to impose the level of taxation they do, but in many cases what is happening is that grants to municipalities are being cut back by government and the council does not have the same amount of money as it had in previous years. So it is really the minister and his colleagues who will have to answer to the residents of Harbour Grace, Mr. Speaker, if the increased taxes are brought in because of reduced government cut-backs.

Now we have seen some modification and it was a good thing. We saw government back off and modify their approach, to the charges for assessments I think it was.

MR. BAKER:

A 500 per cent increase instead of 1,000.

MR. BARRY:

Yes, it is only going to be a 500 per cent increase in the assessment fee rather than 1000 per cent increase. You know, it is like being shot only once instead of being shot twice. I am sure the taxpayers of Harbour Grace and other municipalities thank the Minister of Municipal Affairs (Mr. Doyle), and the minister who is the member for Harbour Grace (Mr. Young) and his colleagues for doing that. But what we have is members opposite, and the minister who spoke, should not pass the buck totally and should not be allowed to get off the hook. They, Mr. Speaker, are the root cause of reduced revenue for town councils and the pressure that is being put. They are having the municipalities do their dirty work by putting pressure on councils through cut-backs to have councils increase taxes. So the minister has to take responsibility and that should not go unnoted as far as the residents of Harbour Grace are concerned.

MR. DOYLE:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. Minister of Municipal Affairs.

MR. DOYLE:

Mr. Speaker, I am pleased to rise and speak on this petition briefly so ably presented by my colleague from Harbour Grace on behalf of 1100 constituents. In commenting on the petition, Mr. Speaker, I guess it is fair to say that one of the most distasteful things that anybody has to do is to pay taxes. I suppose that when we see an increase in taxes it is always met with a certain amount of apprehensiveness. However, Your Honour, in speaking to the petition I think it is fair to

assume, and I really have not examined the petition to any great extent, but I think it is fair to assume that the increase in taxes up to about 100 per cent probably comes about, first of all, for a number of reasons. Number one, when you have the reassessment done just once every six years you will find that there is probably an awful of renovations and additions to existing properties and, as a result, the property values go up. So that would be one reason why you would have such an exorbitant increase in taxes although that may not be the case right throughout the whole area.

Secondly, Mr. Speaker, I guess one of the main problems that the taxpayer has in trying to rationalize such a large increase is due to the fact that the reassessment currently is only carried out once every six year period. And then what happens in that six year period, if you have the inflation rate running at 4 per cent or 5 per cent per year, is after a six year period you find taxes have probably gone up by 30 per cent or 40 per cent in that particular area.

We, in the department, Mr. Speaker, are presently trying to address that particular situation. Under the old act, the establishment of the revised value in the town could only take place after a six year period, and that legislation, of course, as I pointed out a moment ago, created massive problems for the towns and for the assessment division as well. Because, as I pointed out, if inflation runs at 10 per cent and you have reassessment carried out only once every six years, then you have the taxes increasing by roughly about 60 per cent. But what we are proposing to bring in,

Mr. Speaker, is a new assessment act, and in that new assessment act we are going to try to respond in some way to the inflationary actions in the marketplace, if you will. And we intend, Mr. Speaker, to try to bring in some form of an adjustment multiplier which would not really be a whole lot different from a regular reassessment, except that the assessor would not have to visit these properties, he would simply check the town's records for building permits. He would find out what new buildings have gone up in the area and he would be able to lock in an increase in taxes on a yearly basis by the use of an adjustment multiplier, as opposed to the six year thing which brings about the heavy increase on the back end.

Some councils, to respond and to offset the six year rise in taxes, have been lowering the mil rate on the back end when they find out that property values have shot up by 50 or 60 or 70 per cent. The council generally tries to lower the mil rate in a lot of areas to offset that. I do not know if the town of Harbour Grace is going to pursue it from that angle.

MR. YOUNG:
One mil.

MR. DOYLE:
The member just informed me that they have lowered the mil rate by one mil. I do not know if that is going to be sufficient for the people of Harbour Grace but, in any event, it is something that the town council will have to deal with and it is something on which I can sympathize with the residents.

Orders of the Day

MR. MARSHALL:
Motion 5, (No. 23).

On motion, that the House resolve itself into Committee of the Whole to consider certain resolutions, Mr. Speaker left the Chair.

Committee of the Whole

MR. CHAIRMAN (Greening):
Order, please!

Shall the resolution carry?

MR. BAKER:
Mr. Chairman.

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

MR. BAKER:
Thank you, Mr. Chairman.

I understood that the Minister of Finance (Dr. Collins) adjourned the debate last night and I thought that meant he had to continue. I am sorry for being a little late getting up.

We have heard a lot of comment about this particular bill and about the items contained in the bill. There was a petition recently presented from Harbour Grace, and I understand there are a number of items here dealing with Ocean Harvesters, a plant that was closed for a while. It opened temporarily, and I understand it will be closed very shortly after the caplin season. Perhaps one of the concerns that the people of Harbour Grace had in this sense is that there is not a lot of work around there.

The Minister of Municipal Affairs (Mr. Doyle), in his answer, did not quite deal with their

problem. The reassessment really has nothing to do with the rate of taxation, and he tended to pass the problem along to the town council and say he supported it and understands their concerns, and go see the town council. In actual fact, obviously, you could reassess your property at 1,000 times market value and still the amount of money that an individual pays is dependent upon the amount that is spent in the municipality and not on the assessment of the property. The truth of the matter is, of course, obviously, either expenses have gone up or, as I suspect, costs have gone up, because there has been a shifting of tax burden from the Province to the municipalities in a variety of ways, and I think the Minister of Municipal Affairs should have accepted the responsibility for this. Maybe that was the reason for the shifting of the burden, so that when taxes had to be increased in towns like Harbour Grace, the flak would have to be taken by the town councils rather than the government. So I would simply like to make that point from the point of view of the people in Harbour Grace, the fact that the increase in costs of the council is probably the reason for the increase in taxation, and there has been a transfer of tax burden from the Province to the municipalities that will, obviously, in all communities, result in tax increases.

But, Mr. Chairman, getting back to the specific items in this particular bill -

DR. COLLINS:
Are we to take that as an aside?

MR. BAKER:
That was an aside, yes.

There has been some criticism by the Government House Leader (Mr. Marshall) and the Minister of Finance (Dr. Collins) concerning the way the Opposition has been dealing with these items.

Now, I would like to make my point concerning the criticisms that I have been hearing. First of all, not being around years ago when some of these things were done - well, it would not have done me any good anyway, because these things were done through Order in Council. And I get the feeling that I am being asked to vote on something here that I am not supposed to know anything about, that something that has gone on, I am supposed to rubber stamp without really knowing any details of what went on with this Order in Council process, and the members opposite are surprised and the Minister of Finance (Dr. Collins) is surprised that I am not ready to vote on this particular bill because it is like a pig in a poke. I have no idea of the reasons why these particular items are there. Some of them might be obvious to me and maybe more of them might be obvious to the learned gentlemen opposite, but an awful lot of them, Mr. Chairman, I really would like some information about, additional information and specific information that I understand the Minister of Finance figures should not be given in this particular forum.

As an example, I looked at Item 22 and all kinds of questions went through my mind concerning that. I was surprised to see the Newfoundland and Labrador Credit Union Limited, under the conditions laid down by members on both sides, the understanding that this was the place of last resort and companies were hanging on by

their fingernails and some of them bankrupt, it was impossible to get money elsewhere and so on, that guarantees would be provided by the government for these companies. It kind of implies that that company is in that same situation and my understanding is that it is not. So I have a number of questions about items like that that appear in this particular bill, yet I am expected to vote on it without the information being supplied. Now there is another thing, too. Because these things are done in secret, if there are details that the minister does not want to go into publicly, and if he does not want detailed examination of every single one of these, I kind of expect that some detailed explanatory notes would be provided for members of the House so that we could, in the back of our minds, say, 'Oh, yes. Now we know something about this and we do not feel guilty by voting for something that we know nothing about.' It seems to me there is an awful lot of trust implied here, that there is a committee that is saying, 'You have to trust us.' Then, I suppose, there is the inner core of Cabinet that looks at this and okays the Orders in Council and they are saying to everybody else, 'Trust us'. Then it comes to the House, because I suppose there is some regulation that says that within a two year period, or whatever, these things have to come to the House, and we are asked to rubber stamp a process that we know nothing about. We are asked to say, yes, we okay these things, we say these things are all right. We are, in essence, asked to take responsibility for these items and yet we have had no part in the process and we do not even get the details as to each of these items.

Now, Mr. Chairman, I have difficulty accepting responsibility for approving all these things if in fact I do not have documentary evidence that the things were necessary. Specifically, the people who are involved in this process, why was the money guaranteed in the first place, why was that money not available elsewhere? Unless I know this I cannot really vote and support this by somebody saying, 'Trust me. We have looked at it and everything is okay. Trust us'.

That brings up, Mr. Chairman, the whole idea of Orders in Council. Now I understand that Orders in Council are sort of a prerogative of Cabinet whereby certain decisions can be made through an order that goes through the Lieutenant-Governor but never comes to the House, and that these are powers given to Cabinet to expedite matters that really should not become public for one reason or another. And the implication is that the reason they should not become public would be because they would cause very serious disruption or would be giving out information that would provide unfair information to certainly sectors of the population to be used against others and so on. Now this process, it seems to me, of Orders in Council, has been taken a little too casually. I have the question in my mind, how many Orders in Council do we get through in the run of a year? How much of the business of this Province is actually done through Orders in Council? With the understanding, I suppose, that there are things that should be done that we are not supposed to know about over here or that the people in the Province are not supposed to know about, how much

of the business of the Province, the really important business of the Province, is actually done through Orders in Council?

DR. COLLINS:

It is all governed by legislation.

MR. BAKER:

All governed by legislation, but there is a great degree of discretionary power in here where, at the discretion of the people in control, certain things can be gone through Orders in Council.

DR. COLLINS:

Criticize this objectively. Do not go criticizing the Cabinet. We have used the legislation and used it properly.

MR. BAKER:

Well, perhaps that is what it has got to come down to, but I would put to you that no matter what government is in power, no matter what legislation they have, if they so desire they can get around almost any form of legislation like this simply because the stuff, a lot of it, never has to become public and it is all done privately.

Now I would refer the hon. gentleman opposite to a particular Order in Council that I knew about whereby the government of this Province in 1981, through Order in Council, took over control of all industrial land in the Province to which there was any provincial input. I mean, this is an Order in Council that exists, that was passed in secret that nobody had ever been notified about. There is an awful lot of industrial land in this Province, Mr. Chairman, where the Provincial Government could claim to have some kind of input either providing land, or some little service, or indeed

providing money and financing. The government now has the power to take control of all of this land, now maybe they are not exercising it.

MR. CHAIRMAN (Greening):

Order!

The hon. member's time has elapsed.

MR. BAKER:

Maybe they are only exercising it in specific cases.

SOME HON. MEMBERS:

By leave! By leave!

MR. BAKER:

I will just finish up and come back later.

Maybe they are only exercising this Orders in Council power in specific instances where they so choose to use it. Maybe they are not going across the Province saying, look at all of this industrial land we control, saying to municipalities and everybody else, we have had some input into this industrial land and now we control it. Maybe they are not going to do that. But the power exist. And the real point, Mr. Chairman, that I am trying to get around to here, the real point is is there an abuse of Orders in Council? Are there things, like this example I used, where something that should have been debated in the House, that should have been brought before the House, should have even gone through even a white paper process - because I understand the reason for this industrial land thing, I understand it; the Province has to have control over development in this Province, I understand that - but my problem with it is the fact that it was done in secret. It was an obvious abuse of the powers

of Orders in Council. And I am wondering: How many more there are?

I will get back to this a little later, Mr. Chairman.

DR. COLLINS:

Mr. Chairman.

MR. CHAIRMAN (Greening):

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, I know other members want to ask question, but perhaps it might help if I just respond to specific points as we went along. What I intend to do is respond on Item 22 there. But just before I do that, I just want to make a very brief comment on the hon. member's last remarks there about Orders in Council. I am not certain whether he misunderstands the matter or not, but I would suggest to him that if something was done about industrial lands in this Province it was done pursuant to legislation that was already on the books and that legislation envisaged the government doing what it did by Order in Council. In other words, Orders in Council cannot of themselves create the law. As the hon. member for St. John's North (Mr. Carter) said, they have to implement the law that is already written there and usually when the law is brought in the possible ways that that law can be implemented are discussed. Sometimes as they are being implemented other laws come into effect.

For instance, if there was any actual possession of industrial land taken, I would say that the Expropriation Act would have to be brought into play there. And certainly if there was a private person who had a stake or

ownership in land in that regard, the Expropriation Act would require that he be compensated for it.

It is in our parliamentary tradition that there has to be Cabinet confidentiality over the operations of government. That happens in all jurisdictions. We report our stewardship to this House and, in particular, we report our stewardship in regard to the handling of public monies. And I do take exception to the hon. member's remarks if he says that we will not give an accounting of how we deal with public monies. If there is any information needed about how public monies are spent, it is open to the member to ask the question and it is our obligation to give the information and we will give it, but we will not necessarily give information that is not required by the question.

For instance, in this House in the past there has been information requested which in actual fact impinged on the privacy of individuals. The information requested had nothing to do with the stewardship of public money, it just interefered with personal privacy. We have no intention of going to that extent. We will give an account of our stewardship, but we will not expose citizens to the glare of publicity to which they are not required to subject themselves.

Now, Mr. Chairman, getting back to Item 22. I have just forgotten the name of the previous credit union, but there was a previous credit union.

MR. TULK:

Get a quorum in here.

MR. J. CARTER:

If you can count the number of two-faced individuals, you will not be long getting up to fourteen.

MR. TULK:

If we counted all your faces we would be up to fifty-two.

DR. COLLINS:

Mr. Chairman, I think the hon. member asked a specific question and I presume he wants the information, I know he does, but I do have difficulty in imparting the information because of other things going on in the House.

So the previous credit union got into difficulties with its operations. It ran up bills, it got behind in its payments. Now there were negotiations going on between that credit union - as I said, I have just forgotten the name, but I think it was called The Newfoundland Credit Union - and The Newfoundland Teachers' Credit Union, which was a very successfully operated credit union. They showed an inclination to take over the operations and run the operations of the previous credit union efficiently and in good order. However, they were faced with these outstanding obligations and it would mean that if they took over the other union, they would actually have to use some of the funds of their own membership to discharge these obligations, and that presented them with a great difficulty. So we were approached on the matter and we gave an undertaking that if they could conclude a satisfactory arrangement whereby the two credit unions would be amalgamated, and that the effective, proven management of The Newfoundland Teachers' Credit Union was really put into place, we would take on the obligations for outstanding

receivables. And, indeed, that amalgamation did take place and that is why we now have the Newfoundland and Labrador Credit Union Limited. That is the amalgamation or the combination or the merger of the two unions.

MR. BAKER:

Will you recover that?

DR. COLLINS:

We are committed to pay off the receivables, which amounted to \$36,000. That is what we have to pay off. We have taken over those accounts. Now, obviously the previous credit union got into difficulty because they could not collect on these accounts, so those accounts are not, shall we say, of highest value. But nevertheless we took over the accounts outstanding and we have been getting in some return on those accounts. I do not think we will likely be able to recoup the full \$36,000. We have recouped a certain amount but I do not know the exact amount. I am not implying now that it is a huge amount, either. It may be a number of thousand of dollars, that type of thing, but we still have those accounts on our books, they are still owed to us, and we will still service them to the extent that is possible. But the new Newfoundland and Labrador Credit Union Limited is now working very successfully. I think it was an extremely good move. I think it was public monies, in this regard, well spent, and I think that that is probably the matter that the hon. member wished to have cleared up. We feel that, sure, there were public monies spent there but, I think, the end result for the Credit Union situation in this Province was enhanced beyond the relatively small cost to us.

MR. BAKER:

That was always a good, solid credit union.

DR. COLLINS:

The Newfoundland Teachers one was but the other one was not. It did, for whatever reason, have difficulties in maintaining itself financially viable but now with the amalgamation and the merger, the overall company, with the proven history and management of the Newfoundland Teachers' Credit Union behind it, are doing extremely well.

MR. CHAIRMAN (Greening):

The hon. member for Burgeo-Bay d'Espoir.

MR. GILBERT:

Mr. Chairman, last night I made a few remarks on Bill 23, "An Act To Amend The Loan And Guarantee Act," and as I sat down the Premier responded. He was not happy with the remarks that I made about FPI and their management. And, of course, I suppose when it comes to actual management, the Premier has not really had all that experience in management. I understand that he has worked for the government all his life in one way or another. Now, as I pointed out last night, for the last fifteen years I have operated a small to medium-sized business in Newfoundland, which I still operate, I employ thirty to forty Newfoundlanders with a payroll of between \$750,000 to \$1 million a year, so I know something about management. I have the experience, so this is why I have some concerns about this bill. Some of the points I want to raise are raised with good intentions and from the fact that I have some experience along those lines that I do not think that the hon. Premier has.

Now my points last night were ones that were raised by the Minister of Fisheries (Mr. Rideout) concerning FPI so I will not dwell on them any longer. But I wanted to get into these guarantees, as the Minister of Finance (Dr. Collins) says, not loans, but guarantees. There are certain vehicles in place for businesses to set up and operate. We have, first of all, the banks, which I will speak on a little later, and the minister has great faith in the banks, I know. But, secondly, if businesses go to banks and are turned down for one reason or the other, they have, first of all, I suppose, the FBDB, the Federal Business Development Bank, which is available for funding of last resort. And then, of course, we have another thing, the Newfoundland and Labrador Development Corporation, which is available for funding of last resort again. I would assume that most of those thirty-nine people who received guarantees in this Act certainly used this system. I am sure they used the banks, I am sure they used the FBDB, and I am sure they used the Newfoundland Development Association. So when it comes down to this, I know the minister is going to say that he did this to guarantee jobs. We touched on that a little bit last night, about, you know, there are twenty-four guarantees in the fishery and we guarantee jobs in the fishery when we have this colossus, FPI, that is eating up the small, independent fish producers in Newfoundland. We know why he is doing it, it is because of the helter-skelter policy of his government. But I wonder, when it really gets down to the crunch of it, how does one qualify for a guarantee under this programme? How does a business get a guarantee from the

government? How are the leases given out for those fish plants, that are given out for five-year periods with no clause for breaking them? We have talked about that, but the thing that I am really concerned about is how will the business qualify? What are the qualifications for funding of this sort, this last, last, last resort funding? We have gone through two or three of the agencies that they have set up, we have heard the minister say that it does not have anything to do with supporting a particular political party, we have heard him deny that people who received these loans were solicited by members opposite during the election to raise funds for the election, so I wonder what are the qualifications? What really are the qualifications and what is needed to get this money? We know the main thrust of the thing, as the minister said, was to create jobs. Now, you know, once they have gotten this loan or guarantee, and we understand that some of them are now defaulted on and some of them are behind, and we know that some of them have gone bankrupt, and we know that some of them were made two years ago and you are asking us to approve it now, but once you get this guarantee, what short of checks do the government put on the companies that receive this bounty or this guarantee? I know the minister said last night, when someone asked him this question, that there was no problem because really it was not the government that did anything, they just signed the loan for the bank. Now I would like to inform the minister that I spent ten years of my life, before I went into my own business, in the finance business.

MR. SIMMS:

I might have known.

MR. GILBERT:

I even hired you once upon a time, but that was a mistake, it was a form of welfare. But anyhow, Mr. Minister, you have a lot of faith in banks, but I assure you, Sir, that once the banks get the government guarantee on it they do not worry too much about how that company is operated. So what I am saying to you is what sort of checks or balances do you put on? Do you go and find out what happens after you sign your name? Because your name is golden as far as the banks are concerned, and I can assure you that they have no problems at all giving the money out if you are going to sign it. Now I have here the Magazine of Small Business and there are little checks listed that they ask business to do, for example to check out the financial statement. They say, are the sales broken down? The expenses, direct and administration. Accounts receivable, including gross amounts. Aging list. Accounts payable, stating the due date and the value of the documents. Inventory, payroll and taxation records. Now, I would say, if you are going into this type of a guarantee, even though you say the banks are going to look after all this, believe me I think that we, if we are going to protect the taxpayers of Newfoundland and you ask us to pass this bill, I think that we should be entitled, and you, as the people who are going to give this guarantee, should have the right to go into those businesses and check to make sure, particularly on payrolls. How do you know, once you sign this guarantee, that there are not people who want to go and give themselves a fat dividend, or a

bonus, the people who are operating? I am not saying it happens, mind you.

MR. TULK:

Or buy a home in Florida.

MR. GILBERT:

Or buy a home in Florida or buy a boat. This is the point, Sir, I think we should be checking when we are going to give this.

MR. TULK:

Or start an airline.

MR. BAKER:

Yes, given the hangar.

MR. GILBERT:

That is right, I will speak for myself. Not like the member over there who sits in the back row, I will do alright.

AN HON. MEMBER:

(Inaudible).

MR. GILBERT:

You are sitting in the back and you will be sitting there a long time, until the next time when you will come over here after the next election and you will still be in the back.

Once you do this, what type of checks do you put on? Do you get monthly statements from those companies that you give these guarantees to? The other thing I wonder about is when you make loans to those companies - I know we asked this question yesterday but I was not quite sure of the answer - do the principals of those companies have to sign personal guarantees? That is a normal procedure that they would have had to sign if they borrowed the money from one of the regular sources of funding like the banks or, I am sure, even the

Development Bank. So the thing that I see about it is that I wonder do the government, when they do this, give the taxpayers' money so readily and sign guarantees, about which you say we do not really give money, that we leave it to the bank to give money, but ultimately it is going to be the taxpayer who pays and we have seen examples in this bill here where companies have failed and then it is the taxpayers who pays, have we personal guarantees on those thirty-seven that are shown here? Another thing is, are there any more guarantees outstanding now? We see that some of those go back to 1983 and 1984, all the way up through, are there any outstanding now that are not listed in this act? Maybe you should tell us something about that. Are there any loans or guarantees in there to companies that are related, that the principals are the same principals in both companies. I refer to Item 8, E.F. Barnes Limited, and Item 9, Easteel Industries: Are they connected? I just take that as an example. I do not know, I am asking this as a question.

MR. CHAIRMAN (Greening):
Order, please!

The hon. the member's time has elapsed.

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, again I know the hon. the member for Twillingate (Mr. W. Carter) wants to ask something but perhaps I just should respond to the hon. the member for Burgeo - Bay d'Espoir (Mr. Gilbert) first.

The first point that he brought up was essentially questioning why do

we have this programme in place. There are other ways for people to borrow funds, through banks and FBDB and NLDC, so if they cannot get their funds there, the hon. member is saying, why do we have to set up another mechanism? If those other institutions or arrangements have turned down their request surely the request is not worthy of being pursued any further so why set up this guarantee programme? I think it is quite a legitimate question but the only answer to it I can give is we think there is in fact a need for something else. Now, the reason why I say that is that FBDB and NLDC by and large will give the credit for capital funding, in other words, for the purchase of fixed assets or the erection of fixed assets.

Now the hon. member has left the Chamber. I do not know if that means that he is really not interested in the answers to his questions but anyway he did raise them so I am just going to perform my part of the job and answer them. If he is within earshot perhaps he will hear.

Anyway, as I say, FBDB and NLDC by and large give funding for capital works, they really do not get into operating capital. Now to some extent, possibly, they do, but by and large they are mainly there to give credit and they will take security on the fixed assets. Now, the banks, of course, they can do it either way; they can give security or give funding for capital works, or they can also give operating capital. But banks, by their very nature, have certain risk levels in mind and the low level of their risk is not necessarily a level that is attuned to the needs of the Province but more attuned to their

own needs and their responsibility to their own shareholders and their own depositors and so on. Whereas in many cases, when these requests come in, there is a need, from the perspective of the Province or the perspective of the communities of the Province or the workers of the Province, so there is an area there where we feel that we have a job to play and we try to play it as carefully as possible. We do not get into areas where we feel FBDB and NLDC should play a part. If firms come to us asking us for guarantees and we feel that they have not sufficiently tapped those sources, we will say, 'Well, go tap them and then come back to us and present your case to us afterwards.' In most cases if they can get their funds from FBDB or NLDC they do not come back to us. Similarly, in terms of the banks, we lean on the banks as hard as we can. When we are associated with the banks in giving a guarantee over a project, we feel we should go ahead and in many cases we have been able to persuade the banks to relax their attitude towards these companies.

Now the member also asked what checks do we have in place. I thought I had gone over this previously but I will go over it again. In many cases our guarantees are what are called deficiency guarantees. That means that if there is a need to call in the loans, the banks have the first realize on their security. They cannot come to us first and say, 'We no longer have any confidence in this company, you got a guarantee out for \$100,000, now give us the \$100,000.' Guarantees are set up in such a way that the obligation is on them to take possession of the security there, to realize on it, to sell

it or dispose of it in some way, and only if there is a short-fall will they come back to us. Now, you might say, what is the help there? The help there is that the banks are obviously interested, therefore, in keeping their security to the highest possible level so they do in fact monitor the operations of these firms that they are associated with. If they feel that the operation is not going well they know that their security is being diminished, that is not in their own best interest, so they have a monitor in place there themselves.

Now, we do not only rely on that, we have our own monitoring system. As I laid out yesterday, we demand from these companies regular financial reports, we have a team of officials in place whose specific job it is to keep on top of it and demand whatever information they need, they have to report regularly to the ministers concerned and the ministers concerned have to report regularly to Cabinet. The final safeguard we have there is that we have a legal document drawn up with the company and if we think it is desirable we can put in that legal document that we must have a director, either full-time, part-time, occasional, whatever seems appropriate, we can have a director or other type of observer actually with the company on a day-by-day basis. So, while these checks may not be absolutely certain, I am sure there are many ways of getting around things, but I think that in a very high percentage of cases we have a pretty clear picture that the guarantees we have given are used for the purposes intended and that the money that is related to the guarantees is expended in a reasonably efficient fashion.

Now the hon. member also brought up the question of personal guarantees. Again, I did allude to that previously, but just to go over it again, in most cases these firms have already been to the banks and the banks will have taken up any personal guarantees. If there has been an ongoing relationship beforehand, and perhaps the bank has supported the fishing company, say, for five or ten years but now they feel the companies are in difficulties so they will not extend an increased amount of credit, because of their previous relationships with the company they have already taken up any personal guarantees are around. If there are still personal guarantees available to us, sure, we always go for them. But we do not make it a necessity that, you know, you will not get a guarantee unless you put in a personal guarantee, because if we put that obligation there in many cases there are no personal guarantees available, they are already dispensed, and if we put that in we would not be able to help out certain firms that we feel have a worthy cause.

Also, of course, many of these companies are small companies and they have put in all the funding that is available themselves. In some cases the owners have actually mortgaged their homes and put in the mortgage money into the company, so there is not even a mortgage available on the home. I did mention yesterday that that is not a very safe security to us in any case. A bank may be able to do it or some other lending institution, but it is very difficult for a government to take a mortgage on a home and then if it has to realize on the security, to actually put the family out on the street. It is just a

difficult thing for us to do and we therefore do not rely on that too much.

Now, Mr. Chairman, I think the hon. member also asked about E.F. Barnes and Easteel Industries. I might mention that the E.F. Barnes guarantee is released. We no longer have a guarantee in place there, that guarantee expired at the end of March. So we are not connected with that firm in terms of a guarantee any longer.

In regard to Easteel, we do have a guarantee still in place there of \$300,000. The company has had difficulties. They have had meetings with their creditors recently and have come to some sort of a rescue arrangement, I guess it is, and we are going to participate in that rescue arrangement to the extent that we feel is desirable in order to protect the exposure we already have there.

MR. W. CARTER:
Mr. Chairman.

MR. CHAIRMAN (Greening):
The hon. member for Twillingate.

MR. W. CARTER:
Mr. Chairman, I only have a few questions. I know that other members want to ask the minister some questions but his reply a moment ago with respect to personal guarantees, I am sort of happy to know that personal guarantees are sought when a fish plant operator applies for a loan. Yesterday I did not get that impression from the minister. But I think he has told the Committee since that when guarantees are applied for personal guarantees are requested.

MR. TULK:

Is that right, 'John'?

DR. J. COLLINS:

If they are available, sometimes they are just not there. But if there is some possession that the individual has, sure we will get a commitment on that.

MR. W. CARTER:

I do not think anybody would relish the thought, Mr. Chairman, of seeing a person lose his or her home, or a family being thrown on the street, but I think that by virtue of getting that kind of guarantee that it does have a psychological effect on the person who gets the loan. I think he will be inclined to think twice, maybe put a little more into it when he knows that his house is at stake.

Mr. Chairman, I questioned the minister last night on the Bay Bulls Sea Products Limited guarantee. Now that is a plant that was burned to the ground a few years back. I was sort of surprised to learn last night that that \$250,000 guarantee was made to the company prior to the fire. The minister indicated last night that it is still outstanding and I think he went on to say that the insurance has not been settled. I wonder can he tell the Committee are there any problems, is there a chance that maybe the insurance will not be settled? Is there a chance that we will be left holding the bag for that \$250,000? Why was it not settled before now? Because I understand that they have rebuilt that plant. I do not think it has been put back into operation, but I think the plant physically has been rebuilt pretty well, certainly the structure. It seems to me if they had the money to rebuild the plant then their first

obligation should have been to look after this government guarantee.

Fishery Products, Mr. Chairman, is something that I believe eventually will cause a lot of problems in this Province. We know that they were bailed out by the federal and provincial governments and we know that in the process the banks were bailed out as well. We know that in the process certain big fish plant entrepreneurs were bailed out. I am a little leery of seeing the government being involved to that extent in the fishing industry.

The late Aubrey Mac, a well known sports commentator in Newfoundland, once said, in making reference to government being involved in business, that if you put governments in charge of crime it certainly would not pay, and I am half inclined to agree that maybe that is going to be the situation in the fishing industry.

Now we have a pretty highly paid group of former bureaucrats running that company. I think the Chief Executive Officer is a former chairman of Newfoundland Hydro, a former official of Treasury Board. We have seen others leave the provincial service in favour of a job in that corporation and I am not always happy when that sort of thing happens because, with all due respect to our top level civil servants, I am not sure that they are the type of people I want to see controlling the Newfoundland fishing industry. And Fishery Products Limited, whether we care to admit it or not, indeed will be controlling the Newfoundland fishery for years and years to come.

I notice the Minister of Development, Mr. Stevens, and I think by virtue of what he said indicates how little he knows about the Newfoundland fishery, at one time expressed the thought and the wish that Fishery Products would be privatized after a short period. I believe he talked in terms of, maybe, one or two or three years. But I think that is just an indication of his ignorance of the whole fishery policy in this Province because I doubt very much, barring a miracle, if you will ever see Fishery Products reverting back to its original status, that of being a private company. The government is involved and quite heavily involved, and I have a feeling, Mr. Chairman, that it will remain involved.

I was rather surprised last night to hear the member for Bonavista South (Mr. Morgan), the former Minister of Fisheries, express the believe that Fishery Products this year would more than likely end up \$30 million to \$35 million in the red. I would submit to the House and to the minister that maybe the former minister is being very conservative. I would suggest that maybe that will exceed even the amount forecast by the former minister and the member for Bonavista South.

Mr. Chairman, the affect that Fishery Products will have on the smaller private plants, the private sector in the fishing industry, I am not sure if we are really aware yet of exactly just how severe the effects will be. In fact, I think the member for Bonavista South last night made reference to a plant - he did not name the plant but I believe I know the plant he was referring to - which complained that they were

competing in the marketplace in the US for fresh fillets and that Fishery Products were into the marketplace underselling, undercutting fish that was being put in the same market by the private sector. Now if that is going to be allowed to continue, and I suspect it will, then I do not think it all augurs too well for the future success, the future viability of the small independent fish plants. If I owned a small fish plant today anywhere in Newfoundland, a privately financed, privately owned fish plant, knowing what I know about the markets and knowing what I know about Fishery Products International, I do not think I would be feeling too comfortable. I think I would be starting to get pretty edgy and uneasy. I believe, having talked to a lot of these small operators, that that is the case. I believe a lot of them now are starting to feel a bit jeopardized by this new government-funded fish company.

It seems to me, Mr. Chairman, and again the former minister last night referred to the tariff situation where the Americans have now placed a 21 per cent tariff on fish that is produced by the Canadian Saltfish Corporation, but when I was Minister of Fisheries I recall very well being chastised by the powers that be in Ottawa, and certain people who are highly involved in the fishery, being warned not to talk about subsidies. If I announced a programme for longliners, I was warned, or at least advised, I should never mention the word 'subsidy' because our Big Brother in the States was listening and, of course, the mere mention of the word subsidy to the entrepreneurial spirit of the Americans just about drives them

up the wall. Of course we know that that is what happened to the Canadian Saltfish Corporation. They have been watching it, and the American fishermen have a very strong lobby in the US. In fact, I believe at one point that lobby was headed up by Ted Kennedy, a man who wields quite a bit of influence in the US, certainly in the Senate and the Congress of the United States. I know that they watch very carefully and I believe every two or three years, certainly on the eve of an election, we hear the sounds start to erupt from the New England States. That is why the Premier might be well advised to go easy before stripping off and squaring off at the Governors of New England and Maine and New Hampshire and others who have considerable influence in the US Government.

So, Mr. Chairman, I believe that we are going to have to keep a pretty close eye on what happens to Fishery Products. I believe they are going to have to be encouraged to develop and exploit new markets. And that is one of our problems, of course, in this Province and in Canada, that we have become too dependent, too reliant on the US marketplace. Now I believe about 95 per cent of our fresh frozen fillets go into the US could be subject to tariff, and I suspect that is a very distinct possibility, that they might try to do to our fresh frozen blocks what they have just done to our salt fish because the same situation prevails. The action was taken against the Canadian Saltfish Corporation by virtue of the fact that it was an arm of the government, it was an agency of the government subsidized by the government. Now they have an almost identical

situation with respect to Fishery Products International and we cannot hide it as much as we might want to.

MR. CHAIRMAN (Greening):
Order, please!

The hon. member's time has elapsed.

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, the hon. member brought up Bay Bulls Sea Products. I am sorry if he got the wrong impression last night. I believe I said last night that I was not certain about the insurance situation, but I have since checked on it and in actual fact the insurance has been cleared up now and our guarantee is released. It was put in place before the fire but the insurance problems or the processes have in fact been completed. The amount that we guaranteed with the bank has been totally paid off so our guarantee is released. I think there were extra funds available to the owners there and they have indeed used some of those funds now to begin constructing the plant. I do not think the plant is by any means completed yet. I know it is not in operation, but I do not think it is completed to the extent that it could go into operation. I think it is going to need some further funding from a construction point of view.

The hon. member also discussed FPI and I am sure we share his concerns about this. It is an extremely important initiative to this Province. The member was particularly concerned about government involvement with the company in the first place. But he is a very knowledgeable man in the fisheries and I am sure he

knows as well as the rest of us, that if there was not something radical done there a couple of years ago we would now be in an extremely severe state. The Lake organization was bankrupt, I believe. Fishery Products Limited, as it was called in those days, was hanging on by its fingernails. The John Penney Company was essentially closed down. The Nickerson's, which is a Nova Scotia firm, granted, but had a large operation in this Province, had gotten into tremendous financial difficulties. So there was no doubt there was a need for something to be done and there was just nothing on the horizon to take care of those horrendous problems that did not have a strong government complexion to it. We worked extremely hard at that stage to try to put in place something different.

Hon. members may remember that the Canadian Development Corporation was involved with Fishery Products Limited. at that time. We tried to work out an arrangement with them whereby they would take more of the financial burden, but it just did not come off and there was a need to do something finally, and the two governments had to come forward and do it. Now there was another reason for our taking some comfort in that and that is that it gave us, for the first time really since Confederation, some ability to impact the fishing industry offshore. Because of the terms of Confederation, our responsibilities were limited to the processing sector and the marketing sector, I guess, but mainly the processing sector. We certainly had no responsibilities in the harvesting area, that was a federal area of responsibility;

they could set quotas, they could put in the regulations and so on and so forth. We had no part in that whatever and, of course, that was a very strange arrangement for a nation that is so dependent on the fishery, like ourselves. And hon. members know that I have before mentioned that I thought our Terms of Union were crazy, it was a crazy document, just because that situation was put in place.

Now, for the first time in our association with the federal government, with regard to FPI, as it is now called, we have an ability, to some extent, to have an influence on what goes on offshore - not 100 per cent influence, it does not extend to the inshore fishery to the extent that it extends to the deep-sea fishery - but for the first time now someone has to pay attention to Newfoundland when decisions are made about the fishery off the coast of our Province as opposed to being just on the land. So that was another reason why, as a government, we took some comfort in the arrangement that was set up.

Now, the hon. member also expressed a concern about competition with the small private fishing enterprises, and I can tell the hon. member, who was a Minister of Fisheries previously - and I am sure if he had been involved at that particular stage, he would have been doing what we did - we made sure that there was in the restructuring agreement an arrangement whereby FPI would not indeed swallow up or overshadow the small private producer but, in actual fact, are to help them. There is a provision in there that a marketing arrangement - I just cannot recall the name of it offhand now - has to be developed and that has to be made available

to the small, independent private fishery concerns to assist them in developing, and it is an obligation on the part of FPI to do that. It is not that they are allowed to do it, it is not that they are encouraged to do it, they have to set this up, they have to make these facilities and these services available to the small, independent producer. So I think to the extent that we could, we safeguarded ourselves and safeguarded the fishing industry of the Province in that regard. I am not saying that that has all been set up yet, FPI has had its own difficulties in getting its act together, but I think it is coming together now.

AN HON. MEMBER:

A quorum is not present, Mr. Chairman.

MR. CHAIRMAN (Greening):

Call in the members.

Quorum

MR. CHAIRMAN:

A quorum is present.

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, just to conclude, the hon. member also then spoke about the possibility of increased tariffs being put on by the United States. I am sure we are all very concerned about that, but I do not know if we should overemphasize the matter. Just because there was a tariff put on salt fish does not necessarily mean that it is going to go right across the board. I think we have to remember that the market for salt fish in the United States is fairly small and it possibly could

be serviced by U.S. or Puerto Rican salt fish companies, but I do not think either the frozen fish or the fresh fish market in the United States could be fully serviced by indigenous effort, and I think it would be very difficult for them to cut off products from outside the country and get away with it. I do not think they bring in these tariffs in an irrational fashion. There is a long, involved process for an application for a tariff, or a 'dumping tariff', if you want to use that term, to get into place. I think that is done quite rationally and they certainly do not do it to harm their own ability to have their market serviced.

I think the other point worth remembering is that we are not very dissimilar to our competitors in the U.S. market. For instance, Iceland, Norway and Denmark have a considerable amount of government support to their fishing industry too. So I am not saying that there is no concern there, I think we should be very alert to it and keep on top of it the whole time, but I think undue anxiety on our part would be unwise just because one thing happened, and extrapolate that into another situation when the situations are not the same. I feel that we cannot neglect the fishery, and the necessary part that government has to play in the fishery, just for fear that we might excite a tariff, when the chances of exciting a tariff are really not that great. I think we will have to keep on top of it, but I feel quite optimistic in that regard.

MR. CALLAN:

Mr. Chairman.

MR. CHAIRMAN:

Order, please!

The hon. the member for Bellevue.

SOME HON. MEMBERS:

Hear, hear!

MR. CALLAN:

Thank you, Mr. Chairman.

Mr. Chairman, we cannot blame the juice for the excitement shown here today, because it is the middle of the day.

Mr. Chairman, we were on this bill last night and I had a few words to say about it. Of course, we have thirty-nine loans here that were granted, some of them two years ago. Now, we are talking about whether or not the loans were made advantageously or not or whether or not we were throwing good money after bad. But we have been through all that, Mr. Chairman. We were through it last night and we have been through it this morning, and the Minister of Finance (Dr. Collins) in his responses has repeated over and over the plight of the fishery in this Province and why it is necessary to throw money at some of these fish plants to keep them operating and to keep people employed.

But that is not what I want to talk about, Mr. Chairman. I would like to talk today about two anniversaries. Today, 21 June, Mr. Chairman, marks two anniversaries and I am hoping that the Minister of Finance will listen and will take some notes, because I would like for him to respond.

Now, as I was saying at 8:00 last night, Mr. Chairman, for fifteen or twenty minutes I continued to talk about the plight of the

twenty-five employees at Carino. Now, Mr. Chairman, on 21 March, that is three months ago, so today is the third anniversary of the letter that I wrote to the hon. Flora MacDonald. On 21 March I wrote a letter asking that a special grant of money be made available so that these twenty-five former Carino employees could get some employment this Summer. Because apparently, they are only laid off for one year, Mr. Chairman.

By the way, the Carino people, the Norwegian based people who own the Carino plant in South Dildo, own it outright. They have never come to government for handouts, and they tell the twenty-five employees that if they could get something to tide them over this year, 'we will put money in.' And the Provincial Minister of Fisheries (Mr. Rideout) is on record as also saying that his department will put some money in if a grant could be made available from the federal government, the hon. Flora MacDonald.

But, Mr. Chairman, it was exactly three months ago today that I wrote a letter to the hon. Flora MacDonald asking that some help be forthcoming for these gentlemen out there. I had an answer finally a few days back. It does not say anything. It took the hon. Flora MacDonald a full page of a letter to say no.

DR. COLLINS:

Did she say no?

MR. CALLAN:

Yes, she did.

She said, no. Well, actually she did not come out and say, no, she just beat around the bush and said very little of anything. Now the

Minister of Finance (Dr. Collins) has a copy of my letter of March 21 and he also has a copy of the hon. Flora MacDonald's response. The Minister of Finance has a copy of a letter that was written by the Provincial Minister of Fisheries (Mr. Rideout) following a meeting that we held in the Collective Bargaining Board Room on May 27 with these same people, among others.

MR. REID:

So you support Captain Johnson?

MR. CALLAN:

That is not the point, whether I support him. I am not in a position to support anybody. I am an Opposition member. Captain Morrissey Johnson and the member for Trinity - Bay de Verde (Mr. Reid), like the member for Carbonear (Mr. Peach) and the Minister of Fisheries, they are in a position to support these twenty-five former employees in a concrete way. They are both members, although they are not in the Cabinet. The hon. member for Trinity - Bay de Verde is not in the Cabinet and probably never will be again, Captain Morrissey Johnson is not in the Cabinet, but they are members on the government side in this Province and in Ottawa respectively. They should be able to do something, but they have not.

So, Mr. Chairman, I want to ask the Minister of Finance (Dr. Collins) will he address the plight of these twenty-five employees, since Ottawa is obviously not going to come forward with any help for them? Because in one or the other this Province, this government is going to have to help these people. If there is not some kind of a make-work project made available

whereby they can work for twelve or twenty weeks and then draw UIC until next Spring, when hopefully they are back to work at that plant doing whatever Mr. Nygaard and Mr. Webber in Norway can line up for them, if the government of this Province and Ottawa do not make that available to them, they are going to be on the welfare rolls. So in any event the government is going to have to help them. They are proud gentlemen, they do not want to go on the welfare rolls, Mr. Chairman. The UIC benefits of some of them ran out three weeks ago, a month ago. I was talking to one gentleman a couple of nights ago and his ran out this week.

AN HON. MEMBER:

No women involved?

MR. CALLAN:

No, they are all males, they are all gentlemen.

But, Mr. Chairman, that is enough about that. I hope the minister will respond.

DR. COLLINS:

What is the chance for Carino operating next year?

MR. CALLAN:

Well, I cannot go into that in any depth. All I can tell the Minister of Finance (Dr. Collins) is what I am told by these former employees. Not all of them live in my district, by the way. Some of them live in New Harbour, which is in the member for Trinity - Bay de Verde's (Mr. Reid) district, but some live in my district. But what Carino plans for them next year we do not know. We know that they have 21,000 seal pelts in inventory now, already, that is why Carino has not bought any seal

pelts this year. But hopefully, with people like Kirk Smith and the Sealer's Association and Nygaard, and as the Greenpeacers and those do-gooders turn their attention to some other causes, perhaps, you know, the seal fishery may come back. We are going to have to cull the seals anyway, the seals are going to have to be killed in order to protect our cod fishery, there is no question about that. But anyway that is enough about that, Mr. Chairman. I think the Minister of Finance (Dr. Collins) has the message.

The other anniversary that I want to talk about for a few minutes today, 21 June, is that it was exactly one month ago, Mr. Chairman, that the deadline arrived for bids to close on the Come By Chance refinery. Now we were told at that time, 21 May, that in a month Petro-Canada would have a decision made on which of the five bids they would accept. Hopefully they did not even spend two minutes considering the bids to scrap. Hopefully last month has been spent looking at the three bids to reactivate and operate the refinery. Hopefully.

So the Minister of Finance, the last time I asked the Premier some questions in question period about it, said, we will be having meetings with Petro-Can officials, we made strong representation to Ottawa. We got the message through to John Crosbie, who represents Come By Chance in his federal riding. We got the message through to the Prime Minister, Mr. Mulroney, and everybody else, Pat Carney and the others, we have got the message through that this is the last chance for Come By Chance - pardon the pun, this is the last chance

for Come By Chance. What we need is a decision by this Government and the Government in Ottawa to tell Petro Canada, 'You are a Crown corporation, but the decision that has been taken is Come By Chance has been reactivated and has to be reactivated quickly.'

SOME HON. MEMBERS:

Hear, hear!

MR. CALLAN:

Why? Because unless we in this Province have a refinery that is operational on the date that the Atlantic Accord is sanctioned here in this House through legislation, and in Ottawa, unless we have an operating refinery, everybody knows that clause (54) says that all of our oil from the offshore will go and be refined in other Atlantic provinces and not here. But if we have an operating refinery - Come by Chance is the obvious place, there is one there already - then, Mr. Chairman, we will get some of the oil coming to our shores to be refined. I hope that the Minister of Finance (Dr. Collins) will tell us or tell me and tell this House where is it now. I was expecting that the Premier (Mr. Peckford) would stand today, or the Minister of Finance would stand in his place today and say, 'It has been a month since the bids closed and here is the great announcement.' But we have not heard anything one way or the other. Neither the Minister of Finance nor the Premier stood in their place today to say, 'Well, as everybody knows, we were supposed to have an answer today. It is a month later. It is a month now since the bids were closed.' But nothing, no word from the Minister of Finance nor the Premier. What is the status of it?

MR. CHAIRMAN (Greening):
Order, please!

The hon. member's time has elapsed.

MR. CALLAN:
Would the Minister of Finance tell us what the status of it is? Is there another extension? Thank you, Mr. Chairman.

MR. CHAIRMAN:
The hon. Minister of Finance.

DR. COLLINS:
Mr. Chairman, I believe we just have a few minutes. I do not have time to go into a lot on the matters that the hon. member brought up, but perhaps we could get back to the Carino one because I do not really have time to go into that but he just mentioned, Come by Chance. I am sure the hon. member is very impatient with the process and we are too, but, I mean, there is a process there and I do not know if there is anything to be gained by our trying to interfere with the process. The process is that Petro-Canada owns the facility. They have decided that it is not in their best interests as a corporation to reactivate it and they offered it to the organizations that they brought it from, the British organizations who they brought it from in the first place. They had an option and they said, 'No, we will not take up our option. We will not take it over again.' So Petro-Canada, therefore, said, 'All right, we will put it on the market.' Now, having put it on the market they have got in a certain number of bids. That is not a small operation out there. If anyone is going to do anything with it, unless you are going to go out and take an axe to it, if anyone is to do anything with it,

it is going to be a very involved arrangement. It has to do with financing, it has to do with the technicalities of re-activation, it has to do with marketing, it has to do with oil supply and so on and so forth. So the assessment of any proposal to do anything other than knock the thing down with a sledge-hammer is going to take a lot of study. And I do not think that a month for Petro-Canada to have it is a very long period of time. We will just have to be patient. Mr. Chairman, I move the Committee rise and report progress.

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

MR. SPEAKER (McNicholas):
Order, please!

The hon. member for Terra Nova.

MR. GREENING:
Mr. Speaker, the Committee of the Whole has considered the matters to it referred and has directed me to report progress and ask leave to sit again.

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

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

On motion, the House at its rising adjourned until tomorrow, Tuesday, June 25, at 3:00 p.m.

Index

Answers to Questions

tabled

June 21, 1985

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TO THE HONOURABLE CHARLES J. POWER, MHA

MINISTER OF CAREER DEVL P AND ADVANCED STUDIES ST JOHNS NFLD

FM THE HONOURABLE FLORA MACDONALD MINISTER

THANK YOU FOR YOUR TELEX OF MARCH 6, 1985, CONCERNING THE
UNEMPLOYMENT INSURANCE (UI) OVERPAYMENTS OF FISHERS IN THE
BONAVISTA NORTH AREA.

DUE TO A PAYROLL ERROR OF THE EMPLOYER, BEOTHIC FISHERIES, AN
EXTRA WEEK OF INSURED EARNINGS WAS CREDITED TO A NUMBER OF
FISHERS. IN SOME CASES THIS EXTRA WEEK WAS THE DIFFERENCE
BETWEEN QUALIFYING AND NOT QUALIFYING, IN OTHERS IT AFFECTED
THE BENEFIT RATE, EITHER INCREASING FOR DECREASING IT.
TO DATE 252 CASES HAVE BEEN IDENTIFIED. OF THESE, 82 INDIVIDUALS
WERE UNDERPAID, FOR A TOTAL OF APPROXIMATELY DLRS 20,000, AND
STEPS ARE BEING TAKEN TO PAY THESE INDIVIDUALS. ANOTHER 109
INDIVIDUALS WERE OVERPAID. IF THESE PERSONS ARE STILL ON CLAIM,
THE OVERPAYMENT IS BEING RECOVERED AT A RATE OF ONE DOLLAR
PER UI BENEFIT WARRANT. FOR THOSE WHO ARE NOT ON CLAIM, OVERPAYMENT
COLLECTION IS DEFERRED. THERE REMAIN 61 INDIVIDUAL CASES THAT
HAVE YET TO BE REVIEWED.

IN REPLY TO THE ONE CLAIMANT WHOS APPEAL HAS BEEN HEARD,
REVENUE CANADA TAXATION RULED THAT THE EXTRA WEEK WAS IN
INSURABLE EMPLOYMENT. THE RESULT, OF ANY ADDITIONAL APPEALS
WILL BE IMPLEMENTED AS SOON AS THEY BECOME AVAILABLE.
IN THE INTERIM, ALL OVERPAYMENTS WILL BE CAREFULLY CONSIDERED
FOR POSSIBLE WRITE-OFF IF THEIR REPAYMENT WOULD CAUSE UNDUE,
HARDSHIP TO THE CLAIMANTS.

UUU/603 221730Z HQCM1423

MAR 21 1985

*cc given to
George Cross
office
mar 25/85*

J
C.M.
2/1/11

Copy by Telex Please

Mr. Earl McCurdy
Fishermen's Union Office

Mr. George Cross, M.H.A.

Hon. John C. Crosbie, M.P.

Mr. George Baker, M.P.

Capt Morrissey Johnson, M.P.

← Sent by Judy Wall.
Premises official

Copy already sent by Mail to:

Mr. Calvin Pickett
Centreville, B.B.
AOG 4PO

Mr. Alex Oram
Hare Bay, B.B.
AOG 2PO

Mr. Fred Chafe
Lumsden, B.B.

Mr. Art Wicks
Badger's Quay, B.B.
AOG 1B0



GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF CAREER DEVELOPMENT

March 6th, 1985

Honourable Flora MacDonald
Minister of Employment & Immigration Canada
Phase IV, Place du Portage
14th Floor, 140 Promenade du Portage
Hull, Québec
K1A 0J9

THERE IS AN URGENT NEED TO ASSESS THE SITUATION AS IT RELATES TO APPROXIMATELY 210 FISHERMEN IN THE BONAVISTA NORTH AREA OF NEWFOUNDLAND. FOR SOME REASON OVERPAYMENTS WERE MADE BY THE UNEMPLOYMENT INSURANCE COMMISSION. THIS CERTAINLY WAS NO FAULT OF THE FISHERMEN. TO EXPECT TO COLLECT THESE OVERPAYMENTS AT THIS TIME OF THE YEAR IN NEWFOUNDLAND WILL CAUSE UNBELIEVABLE HARDSHIP TO THESE CITIZENS. I URGENTLY REQUEST THAT THESE REPAYMENTS BE WAIVED IN THESE CIRCUMSTANCES. I APPRECIATE YOUR CO-OPERATION AND ANXIOUSLY AWAIT YOUR REPLY.

A handwritten signature in cursive script, appearing to read "Charles J. Power".

CHARLES J. POWER
MINISTER OF CAREER DEVELOPMENT & ADVANCED STUDIES

c.c. See attached.

Telex

✓ Mr. Earl McCurdy
Fishermen's Union Office

3227.

George Cross M.H.A.

✓ Hon. John C. Crosbie, M.P.

✓ George Baker M.P.

✓ Morrissey Johnson M.P.

Mail

Calvin Pickett
Centerville B.B. AOG 4PO

Alex Oram
Hare Bay B.B. AOG 2PO

Fred Chafe
Lumsden

Art Wicks
Badger's Quay B.B.
AOG 1BO

TELTEX A SNF

JUSTICE OTT

JUSTICE OTT

MARCH 7 1985

THE HONOURABLE CHARLES J. POWER
MINISTER OF CAREER DEVELOPMENT AND
ADVANCED STUDIES
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
CONFEDERATION BUILDING
ST. JOHN'S, NEWFOUNDLAND
A1C 5T7

THANK YOU FOR YOUR TELEX OF MARCH 7, 1985, REGARDING
THE PLIGHT OF APPROXIMATELY 210 FISHERMEN IN BONAVISTA
NORTH.

I AM PRESENTLY CHECKING INTO THE SITUATION AND WILL
IMPRESS UPON THE MINISTER OF EMPLOYMENT AND IMMIGRATION
THE URGENT NECESSITY TO DEAL WITH THIS PROBLEM
IMMEDIATELY.

JOHN C. CROSBIE

TELTEX A SNF

JUSTICE OTT

JUSTICE OTT

CN CP TEL D SNF +
DPW NFLD SNF





PRIME MINISTER • PREMIER MINISTRE

APR 29 1985

File 2/11/11

Ottawa, K1A 0A2.
April 21, 1985.

see file
2/11/11

Dear Premier:

Thank you for your telex of March 6, 1985 concerning an overpayment of unemployment insurance benefits to 210 fishermen in the Bonavista North area of your province. The Minister of Employment and Immigration, the Honourable Flora MacDonald, responded on March 22 regarding this same matter, which was raised with her by your Minister of Career Development and Advanced Studies, the Honourable Charles Power.

I understand that the difficulty resulted from a payroll error by the employer, Beothic Fisheries, by which an extra week of insured earnings was credited to the fishermen involved.

I share your concern that such a situation has arisen. It is indeed unfortunate and no doubt distressing to those immediately affected. However, I am confident that the remedial steps currently undertaken by the Honourable Flora MacDonald are both sensitive and responsible and am assured that none of the affected fishermen will experience undue hardship as a result.

The Honourable Brian Peckford,
Premier of Newfoundland,
Confederation Building, 8th Floor,
St. John's, Newfoundland.
A1C 5T7

- 2 - .

Thank you for bringing the matter to my personal attention. I hope that the continuing close monitoring being given to this situation will help to allay your concerns and those of the fishermen on whose behalf you have written.

Yours sincerely,

Frank White

4533283

PMO PCO OTT

PREMIER SNF

ST. JOHN'S
NEWFOUNDLAND.
MARCH 5TH, 1985.

TELEX NO. 016-4718

*Tabled by the
Hon. the Premier
21 June, 1985*

THE RIGHT HONOURABLE BRIAN MULRONEY,
PRIME MINISTER OF CANADA,
HOUSE OF COMMONS,
OTTAWA.

I WISH TO BRING TO YOUR ATTENTION THE TERRIBLE PLIGHT OF
APPROXIMATELY 210 FISHERMEN IN THE BONAVISTA NORTH AREA OF THE
PROVINCE.

DUE TO A PAYROLL COMPUTER ERROR, DATING BACK TO 1983,
THESE FISHERMEN ARE BEING ASSESSED U.I.C. OVERPAYMENTS ON AN
INDIVIDUAL BASIS ANYWHERE FROM 72 DOLLARS TO 6,000 DOLLARS.
THE OVERPAYMENTS OCCURRED IN A PURELY ACCIDENTAL MANNER BUT IN
THE CASE OF INDIVIDUAL FISHERMEN ARE CAUSING AND WILL CONTINUE
TO CAUSE VERY REAL HARDSHIP. WHILE EACH FISHERMAN CONCERNED WILL
BE FILING AN INDIVIDUAL APPEAL OF HIS CASE, MY MINISTERS WILL
BE APPEALING TO YOUR MINISTERS OF FISHERIES AND EMPLOYMENT AND
IMMIGRATION FOR A BLANKET WAIVER OF REPAYMENT OF THE OVER-
PAYMENTS. SECTION 60 OF THE U.I. REGULATIONS ALLOWS YOUR
MINISTER OF EMPLOYMENT AND IMMIGRATION TO WAIVE REPAYMENT
OF OVERPAYMENTS IN CASES OF UNDUO HARDSHIP. I WOULD CONTENT
THAT IN THIS CASE WE HAVE SUCH A HARDSHIP SITUATION AND I WOULD
ASK THAT YOU REQUEST YOUR MINISTER OF EMPLOYMENT AND
IMMIGRATION TO LOOK FAVOURABLY ON THE FISHERMEN'S REQUEST.

A. BRIAN PECKFORD, P.C., M.H.A.,
PREMIER.

C.C. HONOURABLE JOHN C. CROSBIE, M.P.,
MINISTER OF JUSTICE AND ATTORNEY GENERAL.

MR. EARL MCCURBY,
FISHERMEN'S UNION OFFICE.

MR. GEORGE CROSS, M.H.A.

MR. GEORGE BAKER, M.P.

CAPT. MORRISSEY JOHNSON, M.P.

CAN YOU PLS GIVE ME A TELEX NO. FOR
CAPT. JOHNSON?9999999

WE WILL SEND IT TO HIM ON
TKS SO MUCH