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***VERBATIM REPORT***  
*(Hansard)*

*Speaker: Honourable Patrick McNicholas*

Thursday

17 April 1986

The House met at 3:00 p.m.

MR. SPEAKER (McNicholas):  
Order, please!

MR. BARRY:  
A point of privilege, Mr. Speaker.

MR. SPEAKER:  
The hon. the Leader of the Opposition, on a point of privilege.

MR. BARRY:  
Mr. Speaker, this morning the Social Services Committee on the Estimates met at the Colonial Building. There was a quorum present. The members waited for, at the request of the Chairman, I think approximately one hour, or somewhat over an hour, because the Chairman was concerned that there were more Opposition members present than there were government members.

When the Chairman saw that the situation would remain as it was, and despite the fact that Opposition members indicated that they had no intention of wanting to be cute or gimmicky, or to try and embarrass the government by reducing the Minister's Salary to \$1 and so forth, despite giving undertakings of that nature to the Chairman, which were not necessary, but were just to bend over backwards to try and assist the Chairman in a difficult situation, the Chairman, after waiting an hour, decided that he would leave the Chair, leave the meeting so as to remove the quorum, to reduce the numbers down, then, to one less than a quorum.

Now, Mr. Speaker, we submit this is a very serious matter. This is an abuse of that Chairman's position. The Chairman of a

Standing Committee or a Committee of this House has no more right to frustrate the operation of that Committee than Your Honour has. If Your Honour were to look down through this House and find, as happened on the Interim Supply Bill, for example, that there were more Opposition members in the Chamber than there were government members, Your Honour could not then stand up and walk out of the House in order to remove the numbers necessary for a quorum.

Under the Standing Orders there is a procedure laid down with respect to if there is a quorum call in this House, but it is not for the Chairman of the Committee to abuse his position so as to obstruct the capability of that Committee to function. Now this has happened before, it is happening on an ongoing basis with respect to the Committee on Privileges and Elections that was set up to investigate the destruction of the member for Bonavista South's (Mr. Morgan) files, where that same member, the member for St. John's North (Mr. J. Carter), has refused to call together that Committee so that it could complete its work before the House dissolved, previous to the last Throne Speech.

Mr. Speaker, we submit that the reason the government members did not show up was an obvious attempt to take the heat off the Social Services Minister (Mr. Brett) who was being subjected to an intensive series of questions yesterday evening, at the prior meeting of this committee. We submit that it is also improper that government should attempt to frustrate the operations of the Committee, frustrate the ability of the Opposition to question the Minister of Social Services. But, be that as it may, for whatever

the reason, government members did not show up. As I have said, Opposition members agreed to wait for over an hour for them, unlike yesterday evening, by the way, where I understand in another Committee, when Opposition members were some five to ten minutes late, government members attempted to ram through the estimates in that period.

Mr. Speaker, what we have here is an abuse of the privileges of this House. It is an interference with the operation of the Estimates Committee, and we submit that the only way to deal with it is to have the member for St. John's North removed as Chairman. His resignation should be asked for. If he is not prepared to resign as Chairman, then we would ask that this member be replaced as Chairman so that the Committee can function properly, as it should. Anything less than that, Mr. Speaker, makes a farce and a mockery of the entire process.

First of all, of course, Mr. Speaker, and I want to say it again, just because there are more Opposition members in attendance than there are government members, is not sufficient justification for not proceeding with a committee any more than proceeding with this House. Even the request for a delay of one hour was not warranted but, again, the Opposition bent over backwards to try and co-operate. Mr. Speaker, we ask that this be dealt with. We think very clearly there is a prima facie case here and we ask that the member for St. John's North be replaced as Chairman, and a new Chairman appointed, so that this Committee can function as it should.

MR. J. CARTER:

To that point of privilege, Mr. Speaker.

MR. SPEAKER (McNicholas):

To that point of privilege, the hon. the member for St. John's North.

MR. J. CARTER:

First of all, I would take the position that there is no point of privilege, because frequently we have seen it in the House if not in committee. I have not attended all committee hearings, but we have certainly seen it frequently in the House, where members have walked out to establish a loss of quorum merely to embarrass the government, and that has never been even remotely considered to be a point of privilege. It is not even sufficient for a member, after a quorum has been established, to even get up on a point of order, and, Your Honour, it does not seem to take much to get a person to get up on a point of order. In all the years I have been in this House, certainly it is something over fifteen years, I have never even seen a point of order come up as a result of hon. members walking out in order to call a quorum. So I think that disposes of that.

But, also, in fairness to the House I think the circumstances of this morning should be briefly reviewed so that the House, itself, would be in a position to judge whether or not what I did was justified. I will go back to last night: Last night at 10:30 the Committee on Social Services, which was hearing the estimates of the Department of Social Services, concluded its hearing for the evening and I said that 'we would reconvene the next morning, tomorrow morning at ten o'clock' and the member for Menihek (Mr.

Fenwick) corrected me and said, "Oh, no, it should be nine-thirty", and I said, and Hansard will bear me out, "I stand corrected, it is nine-thirty we would like to see everyone back here, nine-thirty tomorrow morning."

Because we are shorthanded on the backbench - three of our members have health problems - therefore the members on the Social Services Committee are mostly replacements. It is unfortunate, but we have had to rely upon an ad hoc committee to fill our membership. I take full responsibility for not making sure that there were enough alternate members available to fill out our numbers. However, at nine-thirty this morning, I suppose it was probably closer to twenty-five to ten, when no one from our side had shown up, although I admit there was a quorum of members from the Opposition composed of the member for Menihek and two others, and the member for Port de Grave acting as Vice-Chairman, I assumed wrongly as it turned out, that the reason no one had turned up was that they heard the ten o'clock announcement but not the nine-thirty one. So the members of the Committee bore with me, more or less, while I held off until ten o'clock, but during that period they served notice, and they served notice many times, that if there were not enough members from our side to carry a vote, then all kinds of frivolous, mischievous and even malicious motions were going to be put forward. So by ten o'clock, when they said, "Well, it is time this Committee were established," I said, "This Committee does not exist until I call for order and I do not intend to call for order until our members show up."

By the way, Mr. Speaker, in past years when, for one reason or another, no more than one and sometimes no members of the Opposition have shown up, I have acted equally. I would not call a meeting to order if there were no Opposition members there, as I would not call a meeting to order if there were no government members there. The purpose of these Committees is for the Opposition. It is not a convenience for the government, it is not a device for the government to save time. In fact, we spend considerably more time in Committees than we would if we spent the same time in Committee of the Whole in the House. Therefore, when it seemed as though for some unaccountable reason - I was not aware that members on our side had not had sufficient notice - no one from our side would show up, and in spite of that they said we must start in, and I could quite clearly see that the first item of business was to be a malicious motion, I walked away from the table and said, 'I am sorry, but I do not think there is a quorum. In fact, I am sure there is not' and there was not.

MR. TULK:

To that point of privilege, Mr. Speaker.

MR. SPEAKER:

The hon. member for Fogo.

MR. TULK:

We saw this morning, in Committee, one of the most serious abuses by a Chairman that we will ever witness in this House, I would suggest to Your Honour. The member for St. John's North (Mr. J. Carter) points out that members have often walked out of this Chamber and perhaps out of

committees, although I have not been a witness to it, and I was here when the first Estimates Committee was put together. I would suggest to him that he represents the Speaker, he represents Your Honour in that Committee, he is the Chairman, and that Your Honour would never leave the Chair. As a matter of fact, Your Honour cannot establish a quorum but Your Honour would never leave the Chair, and the Chairman should not leave the Chair, as the representative of the Speaker, in order to see that there is not a quorum present.

Mr. Speaker, that in itself is enough for this House to ask the hon. gentleman to resign from that Committee or any other committee. Mr. Speaker, we have seen government appoint the member for St. John's North Chairman of various committees, and he has proven to be nothing but an obstructionist.

We presently have hanging before the House one of the very rare prima facie cases of privileges that has ever been established in this House, I suppose. In the case of the member for Bonavista South (Mr. Morgan), whether his files were destroyed or not, as the Leader of the Opposition (Mr. Barry) has said on numerous occasions, and in spite of a letter to the Government House Leader (Mr. Marshall) to get that Committee back together and to get the questions that are hanging around that point of privilege dealt with, the Chairman of that Committee has failed to call that Committee back together. We know the reason why he has failed, it is because he maybe cannot get things going his way in that Committee because our arguments on what we believe may be too sound,

and maybe that was the problem this morning.

Mr. Speaker, he says that his members were not present. Well, there is a procedure laid down for that, too. If his members were having health problems this morning, if they were, and we will accept that, there is a procedure laid down for that in this House. All the hon. gentleman or somebody on the government side has to do, whoever takes care of those things over there, is write a letter, I suppose, to their House Leader, and that is passed to the Clerk, replacing those members with somebody else. Surely there must be enough over there, out of the thirty-six of them, to replace those people on the Committee.

Mr. Speaker, the hon. gentleman also makes the point that the Opposition would have been up to some mischievous tricks. Let me address that on two points: The member for St. Barbe (Mr. Furey), as I understand it, informed the hon. gentleman and informed the group in that room that indeed there would be no such shenanigans as trying to reduce the minister's salary to one dollar, that kind of thing.

Let me make one other point to him. There has been a tradition in those Committees that the Chairman has been allowed to question witnesses, whoever they are, and, if he had wanted to, he could have carried on the process, himself and the minister, this morning.

We have a series of events here, Your Honour, which we would like to pass to you to help you in making up your mind as to what went on in this Committee this morning: Present at nine-thirty,

we are told, were the member for the Strait of Belle Isle (Mr. Decker), the member for Menihek (Mr. Fenwick), and the member for Port de Grave (Mr. Efford); at nine-thirty-five or nine-forty the Minister of Social Services (Mr. Brett) and his officials arrived; shortly thereafter the member for St. John's North (Mr. J. Carter) arrived; at nine-forty-five the member for St. Barbe arrived. At nine-forty-five the member for Port de Grave asked the Chairman to call the meeting to order, observing that we had a quorum, that there was a majority of members of that Committee present.

The Chair suggested at that point that maybe some of the Tory members, the P.C. members, mistook the actual time the meeting was supposed to be, although, I am told, the member for Menihek questioned the Chairman last night about the time of the meeting this morning, and the Chairman made it quite clear that it was at nine-thirty. But he would not call the meeting to order. At ten-thirty, an hour later, still no P.C. members had arrived, no government members, and, of course, the Opposition, as is their right, insisted that since there was a quorum, the meeting should be called to order. At that point the Chairman, the representative of the Speaker in that Committee, left the Chair admitting that he did so so that there would be no quorum and that, therefore, the business of that Committee could not be carried on.

Mr. Speaker, at this point no more needs to be said about this point of privilege. The truth of the matter is, this morning the member for St. John's North, by his actions - there is nothing else that can be said about it -

obstructed the Committee, impeded members of this House from carrying out their duties as elected representatives of the people in questioning the Minister of Social Services.

I am also told that at 10:35 the member for Humber West (Mr. Baird) and the member for Placentia (Mr. Patterson) arrived, and that the member for Placentia at that point said that although he was perfectly free to sit on the Committee and ask questions, 'he was really there only to visit' - I understand he said this to the media.

It is not very often that you will find, I suppose, a politician defending the media, but something has to be said here in that this Committee was called together this morning and there was a quorum in place. Yesterday we saw ourselves complaining about the fact that the Estimates Committees were not being covered. Well, Mr. Speaker, how can you expect the media to cover these Estimates Committees if the government is going to go on with this kind of thing, if the member for St. John's North (Mr. J. Carter) and other people like him, who are Chairmen of those Committees, are allowed to carry on their obstruction in the way that it is being carried on?

MR. BARRY:

A good point.

MR. TULK:

Mr. Speaker, let me make one other point in answer to the member for St. John's North. I will say to him now, and I think I will be proven correct, that since those Estimates Committees were put in place in 1979 there has never been a meeting cancelled - they may have been delayed. It was not

delayed yesterday evening, though, for five or ten minutes, when a couple of members from the Opposition were five or six minutes late. It was not delayed then. I will say this to him, that there has never been a meeting cancelled since those Estimates Committees were put in place because of a lack of Opposition members, once that meeting was called and the schedule was put in place.

Mr. Speaker, I would suggest to you that the member has attempted not only to stop people from participating in that Estimate Committee, which is their right and their duty, he has also attempted to stop them from voting, and it is clearly stated in Beauchesne that you cannot do that, Section 67. You cannot do that. 'It is a breach of privilege to stop a member from voting.' He has stopped them, if they had so chosen, from voting on an estimate that was before the Committee and, therefore, Mr. Speaker, I would have to suggest to Your Honour, and I believe Your Honour will find me to be correct, that there is a prime facie case of privilege and that that member should be asked to resign as Chairman of that Committee and, indeed, ask the government not to appoint him Chairman of any other committees.

MR. OTTENHEIMER:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the Minister of Intergovernmental Affairs.

MR. OTTENHEIMER:  
Mr. Speaker, I think matters can be handled quite briefly. We have already had two submissions from hon. gentlemen opposite and one

here. The basic allegation essentially is that there is a breach of privilege because the hon. member for St. John's North, who is Chairman of a Standing Committee, left the meeting and said that there was no quorum present, as has been pointed out by my colleague.

On numerous occasions in the full House and in Committee of the Whole, hon. gentlemen opposite have left and thereby a -

MR. BARRY:  
But not the Committee Chairman.

MR. OTTENHEIMER:  
No, no I realize not the Committee Chairman.

MR. SPEAKER:  
Order, please!

MR. OTTENHEIMER:  
Let me do it point by point. The fact that an hon. member leaves the House, or leaves the Committee of the Whole, and thereby there is no longer a quorum, has nothing to do with privilege whatsoever.

Hon. members say that the hon. member for St. John's North is the Chairman. Yes, he is the Chairman, however, their allegation that he is a representative of the Speaker, I think, is quite without basis. It is the Speaker and the Deputy Speaker and the Deputy Chairman of Committee who are the Presiding Officers of this House. Hon. members who are elected Chairmen of standing committees of five or seven, or whatever it is, are Chairmen of those Committees, but they are not what is understood as representatives of the Speaker in the same sense that the Deputy Speaker and Deputy Chairman of the Committee are.

Basically, what hon. gentlemen opposite are suggesting is that the hon. member should resign from that position or else, perhaps, are suggesting that the Chair should ask him to or require him to. Obviously the hon. gentleman has no intention of resigning. He is fully supported by all of his colleagues on this side of the House.

I am sure the Speaker realizes that it would be quite outside the jurisdiction of the Chair to require a Chairman of a standing committee to resign. The hon. member was elected by the House and the only way the hon. member will no longer be Chairman would be through sudden death or illness - the hon. gentleman looks very healthy to me - or by a substantive motion of which notice must be given and, when the appropriate time comes for it on the Order Paper, it will be called and hon. members opposite will have to grow to a majority or convince a number of people on this side. It can only be done by a substantive motion of which notice is given.

Now, I would submit to Your Honour just three brief references from Beauchesne. On page 194, paragraph 595, "(1) The question of whether a quorum is present in a committee is a matter that should be dealt with in the committee and not in the House." That, at least, suggests that the committee is master of its own business.

Then when one proceeds to page 196 - you have to turn over the page - Beauchesne, paragraph 607, says, "(2) There is no appeal to the House from the Chairman's ruling except by way of a report from the Committee." In other words, if

hon. gentlemen opposite wish to pursue it when there is a report from this standing committee to this House of Assembly, which is the motion which triggers the concurrence debate, then hon. gentlemen may, if they do not like the report, make a motion, make an amendment to it. But that is very clear, "(2) There is no appeal to the House from the Chairman's ruling except by way of a report from the Committee." Then, you go down the same page, you do not even have to turn it, to the line underneath: "Procedural difficulties which arise in Committees ought to be settled in the Committee and not in the House." So I would suggest, Mr. Speaker, that the hon. gentleman -

MR. EFFORD:

He did not bother to call it.

MR. SPEAKER:

Order, please!

MR. OTTENHEIMER:

The hon. gentleman for Port de Grave is likely to get high blood pressure if he keeps up like that. He is really going to have to calm down. The hon. gentleman, I believe, is Vice-Chairman of the Committee, holds a very august office, and I am sure the hon. gentleman for St. John's North is counting on him and counting on his support in presiding over that sub-committee. However, that being the case, I think it is quite clear that if the hon. the Vice-Chairman of the Committee is anxious to succeed the hon. Chairman of the Committee, to replace him, it will have to be through a substantive motion of which notice is given in the House, or, indeed, when the Committee reports, by amending its report. I think it is very clear there. There is no appeal to the



House from the Chairman's ruling except by way of a report from the Committee, and procedural difficulties which arise in Committee ought to be settled in the Committee and not in the House.

MR. FENWICK:  
Mr. Speaker.

MR. SPEAKER:  
I will hear a final submission by the hon. the member for Menihek.

MR. FENWICK:  
Thank you for allowing me to speak to the motion of privilege as raised by the Leader of the Opposition. If he had not raised it, I was going to raise my own motion. My grounds are slightly different. I do not dispute the right of the member for St. John's North to walk out of the meeting and therefore take away the quorum but, during the time period between nine-thirty and about twenty past ten, twice I said to him, "The time has come for the meeting to start" - according to the meeting we had the previous evening when we set the time to start - "there is a quorum present, I ask that you convene the meeting." He refused to do that on two separate occasions as a result of my requests, once before ten o'clock and once after ten o'clock, and he did so once on a request from the member for Port de Grave.

I feel that the question of privilege should be based not on the fact that he left but on the fact that he refused to convene the meeting when the time had come and a quorum was clearly present. I think that should be the basis on which Your Honour should rule.

MR. J. CARTER:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the member for St. John's North.

MR. J. CARTER:  
To answer the allegations of fact brought up by the member for Menihek, he was not the only one, by any means, who was serving notice of frivolous, mischievous and, indeed, malicious motions that he was about to bring forward. But we are dealing with the Department of Social Services and one of the subheadings is Social Assistance. There was nothing to prevent them from reducing that vote to zero. As Chairman, I am not going to be Chairman of a mockery, I will try and run the Committee properly, and I am not about to allow motions to surface that would be prejudicial to the lives and welfare of Newfoundlanders. There is no way I would do it, and I would defy every single member of this House in order to prevent such an obstruction. But I will say this, that sitting in the company of the member for the Strait of Belle Isle (Mr. Decker) and the member for Menihek (Mr. Fenwick) reminds me of the man who had to spend a night in jail -

MR. SPEAKER:  
Order, please!

I believe the hon. member is diverting from the matter at hand.

MR. J. CARTER:  
If I might, I think this anecdote, Mr. Speaker, puts the thing in perspective. This man had to spend the night in jail with an arsonist and a bed-wetter. The next day he was asked how he got on and he said, "The two cancelled each other out."

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

I think we have time for just one final brief submission.

The hon. the Leader of the Opposition.

MR. BARRY:

If I could just briefly, Your Honour. We see again the seriousness with which members approach their duties in the House and their attitude towards this mockery that is being made of the Estimates Committee system. I would refer Your Honour to Standing Order 120 which says, "Each committee shall, at the conclusion of fifteen sitting days following the reference of estimates to it, put all questions, without debate, needed to carry every subhead of each head of expenditure referred to it before making a report to the House."

In other words, there is a deadline set for the completion of the business of these committees. If we were to listen to the Minister for Intergovernmental Affairs (Mr. Ottenheimer), all the Chairman need do every morning is go down and, whether or not there is a quorum there, decide that the committee shall not sit. The minister is right that it is for the committee to decide whether or not there is a quorum, but we are talking about the fact that there was a quorum; there was a quorum until the Chairman decided to absent himself so as to remove that quorum.

Now, Mr. Speaker, that can happen on every occasion, because members of the Opposition, themselves, cannot constitute a quorum; the way the committee is set up, the

way it is designed by government is to prevent the Opposition members from constituting a quorum. Even having the member for Menihek, their tame appointee on the committee, Mr. Speaker, was not enough for them. Maybe the truth is now coming out. We felt all along that government has no intention of having these Committees operate to do the work of questioning the ministers and examining, scrutinizing departmental estimates in a manner which can be effective. As soon as it started to be effective, as soon as the press were there and as soon as a minister was put in the hot seat, they pulled the plug on the Committee, they removed the quorum.

Mr. Speaker, this has to be dealt with in this House. It cannot be dealt with in Committee, because the Committee cannot sit. The Committee could not sit to deal with it because the Chairman prevented the Committee from sitting, and to permit him to continue in this fashion is to subvert Standing Order 120 which sets a deadline for the time when this Committee has to report.

PREMIER PECKFORD:

To that point of privilege.

MR. SPEAKER:

To that point of privilege, the hon. the Premier.

PREMIER PECKFORD:

What we have just heard from the Leader of the Opposition is absurd, totally absurd. That is the same thing as saying that if Your Honour did not come in through the door every day we would not have a sitting of the House of Assembly. We have to go on a little bit of practice here. What has been the practice of

these Committees? What the Leader of the Opposition is suggesting is a completely hypothetical situation. What has been the practice of these Committees since they were established, four or five years ago? Has there been a trend by government members not to attend committee meetings, Mr. Speaker?

SOME HON. MEMBERS:

No.

PREMIER PECKFORD:

What Your Honour has to consider is what has been the practice in the operation of these Committees? What is the practice? The practice has been that members from this side of the House attend all of these Committee meetings. Because of a problem this morning with three members being sick - some at the hospital, some coming from the hospital - and having to be replaced by alternate members, that is why there were no government members there.

Mr. Speaker, we have spent too much time on this, anyway. It is all out of order, along the lines that the Minister of Intergovernmental Affairs mentioned. It is here on page 196 of Beauchesne. We are wasting the time of the House. All this debate we have had so far, is completely out of order. The Committee is supposed to take care of its own business, and Beauchesne says so. So that is the end of it. We are just wasting time.

MR. SPEAKER:

I have heard a fairly good cross-section from each side of the House. I am certainly not going to make a ruling now, but I will tomorrow morning. I would

like to consider this matter in detail and look up the various authorities and get some advice. I will certainly rule on whether there is a prime facie case tomorrow morning.

There is also a point of order I would like to comment on. I think the hon. member for Port de Grave raised it yesterday, and it was in connection with comments made by the hon. the member for St. John's North. I did look into that matter. The hon. member for Humber West was Acting Speaker at the time, or Acting Chairman of Committees; the next day was Budget Day, and the hon. member has not been in the Chair since, so I think it would be appropriate, in the circumstances, for me to rule on that matter.

I feel the comments were unparliamentary, and I would ask the hon. member for St. John's North to withdraw them?

MR. J. CARTER:

Thank you, Mr. Speaker.

Yes, the comments were certainly unparliamentary. I have never had a very high opinion of Liberals, but still it was quite out of order to make the comment that I did make. It was made in anger and, I will say this, anger is a wretched counsellor. I do apologize and I assure Your Honour that it will not happen again. Thank you.

MR. DECKER:

A point of order, Mr. Speaker, and I will be extremely brief.

MR. SPEAKER:

Order, please!

Is this a point of order?

MR. DECKER:  
Yes, Mr. Speaker.

MR. SPEAKER:  
A point of order, the hon. member for the Strait of Belle Isle.

MR. DECKER:  
When the hon. member for St. John's North (J. Carter) was addressing this House he made the statement that the Liberals gave indication that they were going to be frivolous with this whole thing. Mr. Speaker, the hon. member is misleading the House. I do not think he is deliberately doing it. As our questioning showed last night, we were taking our obligations -

PREMIER PECKFORD:  
There is no way we can have a point of order on this now, Mr. Speaker.

MR. BARRY:  
Is the Premier going to be allowed to take this House on his back?

PREMIER PECKFORD:  
It is pretty light over there. It would not be much of a problem.

SOME HON. MEMBERS:  
Hear, hear!

MR. SPEAKER:  
Order, please!

MR. DECKER:  
Mr. Speaker, we did not give any indication that we were going to take part in any shenanigans. The hon. member for Menihek (Mr. Fenwick) was joking around. We were prepared to go into this in all seriousness, Mr. Speaker, that was why we went there. I thought this should be clarified, because the hon. member misled the House when he said the Liberals intended to play shenanigans. We did not,

Mr. Speaker.

MR. SPEAKER:  
Order, please!

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

### Statements by Ministers

PREMIER PECKFORD:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the Premier.

PREMIER PECKFORD:  
Mr. Speaker, I stand in my place rather reluctantly this afternoon to indicate government's deep concern with the matter that came to my attention this morning and had been brought to my attention over the last several days. I have not gotten up in my place to make any position of government known on it to this point in time, but it is becoming more frequent, almost by the hour. It was brought to my attention this morning that there is, here in the government service, on government property, a lot of pieces of paper being distributed - and I have a copy to table for Your Honour - apparently by representative of the various locals of the union. It is being placed on government property, on government tables, in the cafeteria, in different offices around government property. I have had quite a few calls on it, both in the night time and during the day. There have been calls asking whether government condones this action and so on, so I felt that I must, at least for the sake of six or seven hundred people who work for the government, indicate that we have had nothing to do with this.

This particular piece of paper reads, 'Dear Brothers and Sisters, Please call Denise 'Scab' Ball at extension 3381 any time and remind her of the scum she is and represents. Thank you, Local 7104, Fellow Union Members, Department of Public Works and Services.' I just table this for hon. members' attention and say that government obviously does not condone these actions. We are hopeful that those people who are responsible will be more responsible in the actions that they perform while on duty performing government work in the future.

MR. BARRY:  
Mr. Speaker.

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

MR. BARRY:  
Mr. Speaker, we have something dangerous happening here. What is happening is the Premier, by implication, because of the irresponsible actions of some individual within that union, standing in this House, instead of instructing security to get out and deal with that matter and ensure that the pieces of paper are collected and that security measures which are supposed to be in place are operative. I see everybody going around, Mr. Speaker, with badges when the membership is out. Just because the employees are back to work does not mean there is no security around this building. The proper approach would have been for the Premier, if he was interested in dealing with the problem, to instruct security to get out there and deal with this irresponsible act. But no, that is not sufficient. This is part of that

insidious propaganda campaign which the Premier has had underway since before the membership went back to work.

MR. SIMMS:  
Do you agree with this?

MR. MATTHEWS:  
You agreed with that, did you not?

MR. BARRY:  
Nobody agrees with that. There is nothing there to indicate -

MR. SIMMS:  
Do you think it should carry on?

MR. SPEAKER:  
Order, please!

MR. BARRY:  
No, it should not carry on. There is nothing there to indicate that there is any kind of union management or union strategy to do it.

MR. MATTHEWS:  
You are playing politics.

MR. TULK:  
You are the one who is playing politics right there.

MR. SPEAKER:  
Order, please!

MR. BARRY:  
That is exactly what is happening here. We see the Premier playing politics with this. We see the Premier seizing up on every issue which he can find in a desperate attempt to try and sway public opinion against employees who went back in good faith, relying on the Premier's word which the Premier has not kept, Mr. Speaker. He is not, Mr. Speaker, going to sway public opinion by the sort of cowardly propaganda effort which he is employing here today.

SOME HON. MEMBERS:  
Hear, hear!

Oral Questions

MR. KELLAND:  
Mr. Speaker.

MR. SPEAKER (McNicholas):  
The hon. member for Naskaupi.

MR. KELLAND:  
Thank you, Mr. Speaker.

The Minister of Fisheries (Mr. Rideout) is obviously aware that the member for Torngat Mountains (Mr. Warren) was in Labrador yesterday to make some announcements on behalf of his department and other government departments. Would the minister say, for the record at least, that he is aware that some of these announcements have resulted in the resignation of the Executive Director of the Torngat Fish Producers Co-operative? Would he inform the House if he has had some thought on any steps he may contemplate to help alleviate the situation and the problems this resignation is going to cause?

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

MR. RIDEOUT:  
Mr. Speaker, first of all let me say that I am not aware officially whether the President, or Chief Executive Officer, or whatever he is called, of Torngat Fisheries Co-op has resigned. I heard him on the Fishermen's Broadcast yesterday evening indicating that he was contemplating such an action. The fact of the matter is, Mr. Speaker, that all that happened is that the Department of Fisheries called for proposals to

market our product that we expect to buy and process in the Northern Labrador plants this year; not for proposals to sell the plants or for somebody to operate the plants or anything of that nature, but proposals to sell the produce of those plants. And that is what my colleague, I understand, announced in Labrador yesterday.

We have consistently, Mr. Speaker, made it very clear to Torngat, and to others who have enquired about the facilities in Labrador, that we do not intend, and did not intend and do not propose to dispose of those facilities until a final determination has been made on the Northern Fisheries Development Corporation. Now that we are up in April and a final decision has not yet been made, we have to prepare and plan to operate those facilities for the coming season. There are a couple of hundred fishermen and plant workers who are dependent on those facilities being operated. So we have, as an open, above-board government, called for proposals from people to market the produce from those facilities this year. I understand from listening to the gentleman referred to that he did not like that, that he wanted us to turn the facilities over to him so that he and his organization could operate them. I can say, Mr. Speaker, that we have received some very pretty heavy representation from fishermen and fish plant workers in Northern Labrador begging us not to consider and not to contemplate turning those facilities over to Torngat Co-op. We have an open mind on it when the right time comes, but the right time is not now. All we have done is call for proposals, Mr. Speaker, to get the best price we can for the products that are processed in those plants

so that hopefully we will be able to pay a better price to the fishermen for their fish and to the plant workers for their labour.

MR. KELLAND:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. member for Naskaupi.

MR. KELLAND:

In view of what the minister said, Mr. Speaker, and in view of the fact that Mr. Saunders, the person who is tendering his resignation, has said that he has a proposal on the table with government for the takeover of the management of the plants on the North Coast of Labrador, could the minister tell us why he made the announcement for public tenders to sell the products of the plants on the North Coast prior to responding? According to Mr. Saunders there has been no response. Why would that have been done prior to the minister responding to Torngat Fish Producers' proposal to take over the management of the plant?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. RIDEOUT:

Mr. Speaker, Mr. Saunders and the Torngat Co-op had been knocking on our door long I guess before I was there as minister, but certainly several times since I have been there as minister, wanting to make a proposal to acquire the assets of the four Northern plants, and we have said consistently to him and to his group that we are not in a position to ask for proposals to acquire those assets yet. We want to have a final determination on NFDC. If there is going to be an NFDC, it would be quite obvious to us that part of the assets of

NFDC would be the four Northern plants. So we did not ask for a proposal from Torngat Co-op. Mr. Saunders put a proposal to us to acquire those facilities if and when we make a decision to divest ourselves of them. On that particular point, Mr. Speaker, and flowing out of that, the gentlemen in question was written on April 9 and told that his proposal had been received and analyzed and that we would not be making any decision consequent until the final decision on NFDC was made. I do not know if he in fact has received that correspondence or not, I understand that he indicated that he has not, but he was written on April 9 and told that we would not be disposing of the facilities to him or to anybody else until NFDC had been finally decided. We could not wait much longer, Mr. Speaker, to call for proposals to sell the product. We had marketing arrangements this last couple of years with FPI and we understand that it might be possible to get better marketing arrangements with other people, so as a result of that we can get a better price for the product, pay the fishermen more for their product and pay the plant workers more for their labour. So there is nothing insidious or anything of that nature about it. We have been consistent from day one that we are not intending to dispose of those facilities until we have a final determination on NFDC.

MR. KELLAND:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. the member for Naskaupi.

MR. KELLAND:

I thank the minister, Mr. Speaker,

for that information. What disturbs me in this here is that there seems to be, despite anything the minister has said, some kind of an air of lack of confidence by the minister and his department in Torngat Fish Producers' ability to actually effectively operate the plants.

MR. SPEAKER:  
Order, please!

This is a final supplementary. The hon. member is making a speech.

MR. KELLAND:  
Yes, Mr. Speaker. Would the minister confirm if he holds that sort of doubt and would he consider tabling the sort of complain he claims he has gotten from many, many people in Northern Labrador about not turning that facility over to Torngat Fish Producers?

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

MR. RIDEOUT:  
Mr. Speaker, I do not have any prejudice one way or another against Mr. Saunders or the Torngat Co-op. In fact, Mr. Speaker, the hon. gentleman should know, and probably does, that every year for the past three or four years we, at the end of the normal cod fishery, char fishery and salmon fishery season, turned some of those facilities over to Mr. Saunders and his people to operate. The one in Makkovik, for example, they have operated part of every year for the last two or three years. So we do not have, as a department or as a government, any prejudice one way or another towards Mr. Saunders and his abilities.

The fact of the matter is, Mr.

Speaker, there are a couple of problems here in the proposal that was presented to us. Number one, those Northern plants -

MR. FLIGHT:  
Short answers!

MR. RIDEOUT:  
I am trying to give some information to your colleague.

Those Northern plants, Mr. Speaker, have to undergo a major capital improvement.

MR. SPEAKER:  
Order, please!

I think the minister is getting away from the answer to that final supplementary.

MR. RIDEOUT:  
Sir, I am guided by the wisdom of your leadership and I will provide as short an answer as the House dictates.

MR. BARRY:  
Mr. Speaker.

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

MR. BARRY:  
Mr. Speaker, I would like to ask the Premier if he is aware that the member for Humber - St. Barbe (Mr. Tobin) has indicated that some time ago he was informed by the hon. Mr. Crosbie, Newfoundland's representative in the federal Cabinet, that Mr. Crosbie was waiting to have the okay of the Premier before presenting a compensation package on the Newfoundland railway to the federal Cabinet and Treasury Board? That package has now been presented to the federal Treasury Board and I would ask the Premier



to indicate whether he has given his okay. Has there been a nudge - nudge, wink - wink, 'Yes, okay, John. Go ahead and present that'?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

No, Mr. Speaker. I do not have to give authority to the Minister of Justice in Ottawa for the Minister of Transport to go to Treasury Board on any proposals that they have. That is foolishness and typical Tobinitis.

MR. BARRY:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, it was the hon. John Crosbie who gave this information that he was waiting on the Premier's okay before presenting the compensation package on the Newfoundland Railway. Now I would like to ask the Premier - he has indicated, just recently I think, that he has had an informal chat with Mr. Crosbie - was it in the course of this informal chat that he gave the nudge-nudge, wink-wink, 'Let us go ahead, John, with the compensation package?'

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, the Leader of the Opposition will have to sit down with Mr. Crosbie and Mr. Tobin and work out those kinds of things. It has nothing to do with me.

MR. BARRY:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, would the Premier look seriously at the proposal which we have put forward as to how this matter should be approached, and indicate to the Government of Canada now, publicly, and to the people of this Province, in the House, that there will be no discussions with respect to the future of the Newfoundland railway until we see a twinning of the Trans-Canada, a removal of fares for passengers and freight on the Gulf ferry system and adequate upgrading of the secondary roads in this Province? Would the Premier indicate whether he is prepared to accept this position? Is he prepared, Mr. Speaker, to obtain the views of the people of this Province before taking a decision, either through a transportation conference or, more preferably, through a referendum or plebiscite?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, there was a referendum and a plebiscite only twelve months ago.

MR. BARRY:

Not on this issue.

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

Are we going to have a plebiscite every day on every issue because the Liberal Party wants to have it? They are still smarting from last year's election result, which shows them over there and us over here, and now they are going to

say, "We are not going to be allowed to govern." I think under the British Parliamentary system, Mr. Speaker, the government is here -

MR. BARRY:

You are not allowed to interfere with the Constitution.

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

- we are here to make decisions on behalf of the people of Newfoundland. If the people of Newfoundland do not like those decisions there is a time and a place, through the ballot box, to decide whether we are supposed to stay here or not.

We as a government are quite familiar with all the transportation problems in the Province. I think that is a fair statement, having been here for quite some time and going to be here for quite some time to come. We are quite familiar with all of that and we are going to make decisions which are in the best long-term, future interest of the people of this Province and I do not think the Leader of the Opposition need worry himself.

MR. BARRY:

Just one final supplementary, Mr. Speaker.

MR. SPEAKER:

Order, please! Order, please!

The hon. member asked for a final supplementary and that was it. I recognize the hon. member for Menihek now.

MR. FENWICK:

Thank you, Mr. Speaker.

My question, Mr. Speaker, is for the Premier.

MR. LUSH:

Mr. Speaker.

MR. FENWICK:

Have you not sat down yet?

MR. LUSH:

What about the people of Bonavista North?

SOME HON. MEMBERS:

Hear, hear!

MR. FENWICK:

My question is this. Several weeks ago, when the strike ended and Treasury Board and NAPE went back to bargaining again, there was a complaint, by the Premier, I believe, on the Wednesday after that that the union negotiating team had left the Department of Labour, had gone back to their offices and were no longer negotiating. My question to the Premier is this: Since the Treasury Board people are now away from the table and are not ready to negotiate or at least they were at the last notice that we had, how does that differ between the tactics that the union was using about a week ago and what Treasury Board is using now?

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Primarily we had something to put on the table and we had no one to put it on the table to.

By the way, Mr. Speaker, for the benefit of the people in the galleries, we were not making fun of the member for Bonavista North

(Mr. Lush). It is just so seldom that we see him get aroused like he did a few minutes ago, and that is why we were laughing.

But to answer the hon. member for Menihek, we had proposals to put on the table. What we find now, in the last three or four days, is that really NAPE has been playing games with us. For example, in their counterproposal on wages, part of it was in writing, part of it was verbal. The proposal itself is a completely unrealistic proposal, they are not bargaining in good faith, yet we have thirty other items on the table at the same time. They will not take promotions off the table. They still insist that all promotions in the Public Service must be done by seniority. Every man and his dog knows that that is crazy, you cannot do it. You can do it if both are equal; then seniority counts. That is not a realistic thing to do. And every man and his dog who listen know what our proposal is like versus theirs, 32 to 35 per cent today. So the union are not being reasonable in the normal negotiating pattern. We are doing other negotiations now, through Treasury Board, with other groups, where there is give and take all along the road. Right now we find that NAPE are really playing games with us, and they are not serious about trying to get a collective agreement.

MR. FENWICK:

A supplementary, Mr. Speaker.

MR. SPEAKER:

The hon. member for Menihek.

MR. FENWICK:

My supplementary is this; since you are getting into the substance of the negotiations, just to summarize in about one sentence,

the union is asking for parity to occur this year, and the government is offering parity to occur next decade.

MR. SPEAKER:

Order, please! The hon. member is making a statement, he should be asking a question.

MR. FENWICK:

My question to the Premier is this: Does he agree that -

MR. SPEAKER:

Order, please! The hon. member is continuing to make a statement.

MR. FENWICK:

I am asking the question now. Does he agree that the two positions are equally far apart and obviously we have to find some distance in between to get a settlement?

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, I am very glad the member asked that question. We signed a back-to-work agreement, and one of the clauses in that back-to-work agreement was that there would be parity within one agreement - the agreement we are going to sign if ever we can sit down at the table realistically and negotiate. That was the agreement. They talked at the table, by the way, before they even went on strike, about a three or four year kind of period in order to reach parity again. They talked about that with people in Treasury Board, so we were on the same wavelength. So we put our proposal on the table one, of reaching parity by December 1989,

and, two, if at that time on an hourly basis there was any disparity we would automatically bring them up to make sure they still had parity. They have a guarantee in our proposal that what they are talking about now, about other groups get more than them if they sign now, would be taken care of at that time. So we were in the same ballpark because we were both talking one agreement and we were talking three or four years. That is what we put on the table. Now we find NAPE backing up from a four year kind of agreement to reach parity and ensuring that parity will continue, which we do in our proposal, backing up from that and going all the way back and saying, 'We want parity now, the day we sign this agreement, plus 6 per cent, plus another 6 per cent next year.' Now you tell me if that is in the same ballpark. Mr. Speaker, that is not even in the same city.

MR. FENWICK:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. the member for Menihek.

MR. FENWICK:

I would like to tell you, but unfortunately you would rule me out of order because I will have to take too much time. My final question is this. Obviously the two sides are a distance apart. The only way you are going to get together is to sit down and negotiate. Are you going to send your negotiating team back to the table?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Yes, Mr. Speaker, when we have an indication from the union that they are prepared to negotiate realistically. When they are prepared to negotiate on the thirty items. There is not only wages, but thirty other items, including promotions, are still on the table. I think the union really has two problems. One is they have convinced their membership they can have parity now, which is why a lot of them went out on the illegal strike, and now the leadership knows they cannot have parity now, that that is unrealistic, and yet they cannot move away from it, otherwise they are going to get in trouble with their membership. And, two, their other problem is they are looking to the day, tonight or tomorrow or the next day, keeping as many unrealistic things on the table as they can, force the government into mediation or arbitration, so that then a mediator or an arbitrator will have to come down somewhere in the middle so that they will get seniority on promotions, and try to get parity within a month or so. That is an extremely unrealistic way for the leadership to act if they really want a collective agreement.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. BARRY:

Just a brief follow-up to my previous question, Mr. Speaker. I would like to ask the Premier if in fact there is any abandonment of the Newfoundland railway and we have a change in the constitution of this Province, the constitution of Canada, whether a matter of

such substance; involving a modification of the constitution, should not be put to a referendum, or more specifically a plebiscite although referendum is used in the venacular?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

No, Mr. Speaker, we do not consider it to be in that league.

MR. CALLAN:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bellevue.

MR. CALLAN:

Mr. Speaker, I want to ask the Premier a question about the Newfoundland railway. Back on October 18, 1979, that is when the Tories were in Ottawa for a short period, the Premier and a lot of his colleagues, I think Mr. Crosbie and others, left the Premier's hometown of Whitbourne on a train and went as far as Bishop Falls. During that trip the Premier released a massive statement, and I will just quote from it, Mr. Speaker. The Premier said, 'The lack of such a concrete provincial railway policy was, I feel, in very great part responsible for the Sullivan Commission Report which appears premised on the dying railway (concept). My administration', he says, 'totally rejects this concept. The railway must be made attractive to users, it must be made to work. The Government of Canada has that constitutional obligation under the Terms of Union.' Let me ask the Premier is he now, today, just as dedicated as he was, say, six and a half years ago, to a railway in this Province?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

I am very glad that the hon. member brought up that statement. It is because of that statement and the position we took at the time that we were able to get the federal government to institute a containerization programme of over \$70 million, which improved the bottom line to the company and the efficiency of the railway from 1979 to 1986, so we are very proud of the position we took then. I do not know where the hon. member for Bellevue has been. We have said over and over again in the House, as has the Minister of Transportation (Mr. Dawe), that our position to the federal government has been that we do not want the railway retained in its present form, we want the railway retained with major upgradings. When we say 'major upgradings' we are talking about hundreds of millions of dollars a year for quite some time so that we can have the competitive mode that I talked about in that statement.

MR. CALLAN:

A supplementary, Mr. Speaker.

MR. SPEAKER:

The hon. member for Bellevue.

MR. CALLAN:

Mr. Speaker, in 1980, the following year, the government of which the Premier is the head came out with this Programme for the Rehabilitation of the Newfoundland Railway. Now in that report there are some conclusions and recommendations and, if I can quote one sentence, it says -

MR. SPEAKER:

Order, please!

The hon. member made a long statement in his question to start with, and I think for a supplementary there is no need for anything other than the question.

MR. CALLAN:

Thank you, Mr. Speaker.

The statement I am going to quote is very short. It says, 'The Province's position is also based on the fact that the people of the Province are entitled to both a good railway as well as a good highway.' Is the Premier and his administration still committed to that concept?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

How many times have we got to say it, Mr. Speaker? We have repeated over and over again to hon. members opposite what we want done with the railway. If it is not clear to the hon. member for Bellevue now, I do not know what I can do or what the Minister of Transportation (Mr. Dawe) can do. I honestly do not know what I can do for him. We have put it in writing, we have said it before Committees, we have said it publicly, and I have said it here again today. What more can I do? I do not know what else I can do, Mr. Speaker.

We are after the federal government to take a strong position, as we were with the Liberals in Ottawa, on the Newfoundland railway and we are waiting for them to come back to see if they are going to support that position or not.

MR. CALLAN:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. the member for Bellevue.

MR. CALLAN:

Mr. Speaker, on November 18, 1980, the Premier made a Ministerial Statement in which he said, 'It is essential that a new federal Crown corporation be established to own the Newfoundland railway.' Is the Premier still committed to that concept, a new Crown corporation established to run the Newfoundland railway? Is the Premier still committed to that?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

That was TerraTransport, Mr. Speaker, that we were talking about at the time.

MR. CALLAN:

Well, has that changed?

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

No, we have changed nothing. I mean the hon. member can go back and quote from when the Matthew came over if he wants to if I was around at that time. It is no problem at all. We are still as committed to the policies that we have enunciated on the railway as we ever were. What we have to do is to try to persuade the people in Ottawa to be just as supportive of that position as we are.

MR. CALLAN:

Mr. Speaker.

MR. SPEAKER:

That was a final supplementary.

MR. CALLAN:

Mr. Speaker, this is a new

question. It is to the Minister of Justice.

MR. SPEAKER:

The hon. the member for Bellevue.

MR. CALLAN:

The Minister of Justice, the member for Humber East (Ms. Verge), when she was Minister of Education, wrote a letter to Brian Tobin in Ottawa, Mr. Speaker. Let me quote part of the minister's letter to Mr. Tobin in Ottawa. She says, "Are the people of Newfoundland entitled to both a good rail and a good highway system as is the case in all other provinces?"

In her letter she talks about Terms 31 and 32 and the Constitution, of course, the Terms of Union of 1949. Let me ask the Minister of Justice is she, as a representative of the West Coast and Corner Brook, still as committed today as she was back in 1981 when she wrote this letter to Mr. Brian Tobin?

MR. SPEAKER:

The hon. the Minister of Justice.

MS VERGE:

Of course, Mr. Speaker, and it was good letter indeed. I will quote from it. I am glad the member opposite gave me a copy of it to refresh my memory.

MR. CALLAN:

I was glad to provide you a copy of it.

MS VERGE:

'The question is will the federal government honour its promise to Newfoundland at the time of Confederation, set out in Term 31 and Term 32 of The Terms of Union, assuring the operation of the Newfoundland railway and the

subsidy of the Port aux Basques-North Sidney Gulf Crossing?' A good question.

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

The people of Bonavista North get their chance again, Mr. Speaker, in this hon. House. Mr. Speaker, I have a question for the Premier. And my preface to the question is contingent upon a report from The Evening Telegram on the heels of the publication of the Sullivan report. The Telegram is reporting some statements made by Mr. Crosbie. The key line is, Mr. Crosbie stated that the Federal Progressive Conservative Party is opposed to any abandonment of the Newfoundland railway.' I am wondering if the Premier can indicate whether Mr. Crosbie has gone through any massive metamorphosis since that statement? My question, Mr. Speaker, in view of the statements being made by Mr. Crosbie recently, and in view of conversations and meetings with Mr. Crosbie, can the Premier indicate whether Mr. Crosbie has changed from this rather firm and clear position?

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, we were really eager over here, itching, hoping that Question Period would not be over until the member for Bonavista North (Mr. Lush) got a chance to ask this question. He was there, you know, really urging in his seat, and we are very happy. The unfortunate part about it is he has asked the question of the Minister of Justice (Mr. Crosbie) who sits in the House of Parliament in Ottawa. Now, disappointingly, I have to tell the hon. member I cannot answer his question. He is going to have to go and ask the Minister of Justice in Ottawa. I think it is sad that after all the time itching there in his chair to get up to ask the question, he forgets that he is in the House of Assembly and thinks he is in the House of Commons.

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North, a supplementary.

MR. LUSH:

Mr. Speaker, let me tell the hon. the Premier that he had no difficulty a couple of years ago saying just what the position of these hon. gentlemen was. Let me again just take a small quote from his famous Bishop's Falls speech, which says, 'I am also confident that the federal government under Prime Minister Clark, in response to the forceful arguments of the hon. John Crosbie and the hon. Jim McGrath, will also do its part to show that its commitment to the revitalization of the railway is real.'

Now, Mr. Speaker, in view of the statements being made by Mr.

Crosbie, can the Premier not indicate to this House whether he indeed has any information as to Mr. Crosbie's present position on the status of the railway in this Province?

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. Premier.

PREMIER PECKFORD:

The hon. member will have to ask Mr. Crosbie. If he wants to ask me a question about statements I made I will answer them. But if he is going to ask me questions about statements that Mr. Crosbie made, I cannot speak for Mr. Crosbie. I do not presume to, and never did. I am sure the hon. member does not presume to speak for his leader or presume to speak for somebody who is not here in the House. This is foolishness. There are certain moments in time when I would like to be in the House of Commons but they are very, very rare indeed. I find it very enjoyable standing in this House here answering questions.

MR. LUSH:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. member for Bonavista North.

MR. LUSH:

Is the Premier now indicating, now telling the House that there is indeed no co-operation, no discussion, no consultation between him and the Justice Minister of this country to the extent that he does not know the official position of the Justice Minister with respect to the Newfoundland railway?



PREMIER PECKFORD:  
Cheek to cheek, bosom to bosom,  
Mr. Speaker.

MR. BAKER:  
Mr. Speaker.

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

MR. BAKER:  
Thank you, Mr. Speaker.

The Premier says that we can use his quotes and he stands by them. Two days ago in this House the Premier stated that there was only one election promise that was not fulfilled and that was the Election Expenses Act. I can only take the Premier at his word, and on this basis I ask him in which province of Canada did he create the 40,000 jobs?

MR. SPEAKER:  
The hon. the Premier.

PREMIER PECKFORD:  
Mr. Speaker, unfortunately they have done very poor research on the last two or three questions. They have done very poor research. I was asked to respond to a question a few minutes ago from the hon. member for Bonavista North (Mr. Lush) which had to do with the opinion of Mr. Crosbie, a question not directed to Mr. Crosbie but directed to me. Now I have the member for Gander (Mr. Baker) getting up on a statement I made the other day to the member for Menihek (Mr. Fenwick) which said, as the member for Menihek can confirm, "In my leadership campaign I stated sixteen or seventeen different policy initiatives and there was only one of them to this date not kept." Mr. Speaker, unfortunately, therefore, the whole basis of the hon. member for Gander's question

is lost and destroyed and deteriorated and disintegrated.

MR. FLIGHT:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the member for Windsor-Buchans.

MR. FLIGHT:  
Mr. Speaker, I have a question for the Premier. In view of the fact that he contends in his statement today that his position has not changed on the Newfoundland Railway, is he prepared to stand in this House today and state categorically that he is not interested in hearing or seeing Mr. Crosbie's proposal for the Newfoundland railway?

MR. SPEAKER:  
The hon. the Premier.

PREMIER PECKFORD:  
No, Mr. Speaker, never, never. They might be offering us a proposal which, when we see it, might be even better than the position we now have. We have a position of retention and major upgrading, and we might be surprised. We are not going to close any doors. It might be even better than what we now have on the table as our position. I am sure the hon. member for Windsor-Buchans would not like for me to close the door on something even better than we are going after. I mean, that would be an awful position for us to take. Obviously we are going to be open to any suggestion that the federal government comes up with. It might not take us very long to say yes, it might not take us very long to say no, but we are not going to close the door completely, that is for sure. We want to see what colour their eyes

are, obviously, for the benefit of the Province.

MR. SPEAKER:  
Order, please!

The time for Oral Questions has now elapsed.

Presenting Reports by  
Standing and Special Committees

MR. YOUNG:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the Minister of Public Works.

MR. YOUNG:  
Mr. Speaker, I would like to table the annual report of the Newfoundland and Labrador Public Service Commission for the year 1984 - 1985.

Petitions

MR. DECKER:  
Mr. Speaker.

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

MR. DECKER:  
Mr. Speaker, I have a petition on behalf of twenty-one residents of Englee. I will read the prayer of the petition.

"We, the residents of Englee, hereby petition the hon. Ron Dawe, Minister of Transportation for the Province of Newfoundland and the hon. Donald Mazankowski, Minister of Transport for Canada, to take immediate steps to have a federal - provincial roads agreement

signed and funds made available for the completion of the upgrading and paving of the Cross Country Road and of the roads that come under the jurisdiction of the Department of Transportation within our town so that we can enjoy the most basic of road conditions that have been experienced by the residents of all similar towns and communities of this Province for many years."

Mr. Speaker, in standing to speak to that petition, I should point out that this is the seventh day that I have presented a petition asking for that particular road to be upgraded. The petition is not signed by the same people. Every petition, Mr. Speaker, is quite legal. Each petition that I am presenting, although the format is the same and they are all asking about the same road, they are different people.

In supporting this petition, which I am delighted to do, I want to thank the hon. the Minister of Intergovernmental Affairs (Mr. Ottenheimer) who yesterday so eloquently supported this petition when he realized that it was in a Tory district. I am not going to hold the fact against him, Mr. Speaker, that he happened to -

MR. SIMMS:  
Oh, it is in a Tory district.

MR. DECKER:  
It is in a Tory district, yes. You were not here when I outlined that. Well, for the benefit of the Minister of Forest Resources and Lands (Mr. Simms), who says he is going to support this petition, I will point out that when the last gerrymandering took place, when the government was afraid that they were going to lose the present Minister of Fisheries -

MR. SIMMS:  
What gerrymandering?

MR. DECKER:  
I will explain it if the minister will just wait.

The decision was to take Englee, Boyd Arm and Roddickton out of Baie Verte - White Bay, Mr. Speaker, and put them in with the Strait of Belle Isle district. Now, as I said yesterday, quite modestly, Mr. Speaker, I am not claiming any responsibility for being elected in the Strait of Belle Isle. I am admitting that the Strait of Belle Isle is a Liberal district. Therefore, the Tory reasoning was this: They said, "Look, we are going to lose the Strait of Belle Isle anyway. That is where the Newfoundland dog could have got elected," I believe they said. "So, let us put three more Liberal towns into the Strait of Belle Isle because if we leave those three towns with Baie Verte - White Bay, we are going to lose the member for Baie Verte - White Bay." A very logical thing to do, Mr. Speaker, no argument.

But, inadvertently, when they did this, they left Route 432 as the boundary. It is the Northern side of Route 432 which went into the Strait of Belle Isle. So Route 432 was actually in the Baie Verte - White Bay district. This is the point I am making.

MR. SIMMS:  
It is not now.

MR. DECKER:  
It is now, yes, check the boundaries. It is right on the boundary. When this was brought to the attention of the House yesterday, the hon. the Minister for Intergovernmental Affairs (Mr. Ottenheimer) could not wait to

jump to his feet and support the petition. I am thanking the hon. minister for supporting the petition. I want that to go into the record so that the people back in the Strait of Belle Isle, when they read The Northern Pen, will be aware and realize that the Minister of Intergovernmental Affairs (Mr. Ottenheimer) supported the petition and today, I understand the Minister of Forest Resources and Lands (Mr. Simms) is also going to support the petition, so that adds some more weight to that petition.

Mr. Speaker, when I talk about roads in the Strait of Belle Isle, I do not want to confine it just to Route 432. In the Strait of Belle Isle there are two major problems. They are the road conditions and unemployment. These are the two major problems that are in the Strait of Belle Isle and they are related. If you do not have a good road network, Mr. Speaker, you cannot have a viable industry and you cannot truck fish properly in and out of towns where fish plants are processing fish. If you do not have a good road network, Mr. Speaker, there is very little chance of ever developing a tourist industry. Up there in the Strait of Belle Isle district, we have one of the outstanding tourist attractions in the world, L'Anse-au-Meadow and its Viking site. Fortunately, through a prior commitment of the federal government, we are going to see that road into L'Anse-au-Meadow finally upgraded and paved. This is supposed to happen this Summer, Mr. Speaker, and I am only praying that there will not be a by-election so that this will have to be diverted. Barring a by-election and barring some unforeseen act, the road into

L'Anse-au-Meadow will be paved this year. This will help the tourist industry but, Mr. Speaker, there is still Cook's Harbour, there is still Goose Cove, there is still Quirpon, there are still a number of small towns in the Strait of Belle Isle which are serviced only by a government road. Therefore, Mr. Speaker, tourism can never come close to its potential until something is done with the roads in the Strait of Belle Isle. So, as I am saying, Mr. Speaker, roads and unemployment are related.

Let me also tell this House in relation to timber or pulpwood coming out of the Strait of Belle Isle, the Roddickton, Englee, Bide Arm, Main Brook, Conche areas still has a fairly large supply of timber. As the Minister of Forest Resources and Lands well knows, there is still a good timber stand up there. It is not viable, Mr. Speaker, to truck pulpwood more than, say, 200 miles on a paved road. It gets very, very marginal when you go over 200 miles on a paved road. Now Roddickton and Englee is about 240-odd miles from Corner Brook. If that road were completely paved, although it would be marginal, it would be possible to reactivate the sawmill industry up there because Kruger would buy the surplus timber, they would buy the tops, they would by the pulpwood. The local companies could produce and saw lumber. This Province is importing what, 50 million feet of lumber a year, Mr. Speaker? At least that amount. Much of this could be produced in the Canada Bay area but, because of this road, it is not in the least viable to truck the pulpwood out of the area. I am suggesting to this hon. House today, Mr. Speaker, that if this Route 432 were indeed upgraded and

paved, then it would be viable, very marginal, but it would be viable, allowing that the rest of the tree is put into sawlogs and eventually sawed into lumber.

MR. SPEAKER (McNicholas):  
Order, please!

The hon. member's time has elapsed.

MR. TULK:  
By leave.

MR. SPEAKER:  
By leave?

MR. DECKER:  
That is okay, Mr. Speaker, I have lots of petitions. I can come back to it.

MR. SIMMS:  
Mr. Speaker.

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

MR. SIMMS:  
Mr. Speaker, I just want to have a few words to say on the petition, along much the same lines as my colleague, the Minister of Intergovernmental Affairs, who spoke yesterday with respect to a similar request. In fact, I believe I recently met with the mayor of one of the communities in that particular area who came in to talk to me about garnering some support for this particular stretch of road. At the time I listened to him -

MR. DECKER:  
The mayor of Englee, I believe.

MR. SIMMS:  
Yes, he is a new mayor, a young fellow. In any event, he gave my staff and I a bit of a briefing and background history to it. I

have some familiarity with it.

AN HON. MEMBER:

He is a good Tory though, is he not?

MR. SIMMS:

Well, he did not mention that to me and, of course, that would not come into our decision-making at all, whether he was a good Tory or a good Liberal. I am not sure if there is a good Liberal around here anyway.

Anyway, he mentioned this road to us and had a discussion with us. We were very sympathetic, of course, to his presentation. We were not at all aware that the route that he was talking about, Route 432, is actually within the boundaries of a P.C. district, nor would that make any difference to us in our final decision.

SOME HON. MEMBERS:

Oh, oh!

MR. SIMMS:

I mean, it obviously would not, Mr. Speaker. In any event, Mr. Speaker, I have some sympathy for the request of the people from the area and specifically with respect to this petition with twenty-one names on it. I have no hesitation in offering my moral support.

As the Minister of Intergovernmental Affairs pointed out yesterday, there are many requests in the Province for roads and road work, road maintenance, road construction, from all over the Province. Of course, it all has to be done on a priority basis and, most importantly of all, I suppose, depending on the funding that is available to us to spread around. We, I think, have done a good job of spreading the money around, to the best of our

ability, to all parts of this Province.

I do want to address a sort of, I suppose it is a moot point and not a heck of a lot to do with the petition but, I suppose, it does indirectly. There was some kind of a point trying to be made by the member for the Strait of Belle Isle (Mr. Decker) when he talked about the changing of the boundaries of the district back in 1985. He referred to the word 'gerrymandering'. Now, Mr. Speaker, gerrymandering, in fact, as I understand it, is done in a political context around the Cabinet table or whatever. However, we did not touch the report that was brought in to change the boundaries by an independent commission. We did not change a thing. We accepted it holus-bolus and never made one change.

The interesting thing about this, I say to the member for the Strait of Belle Isle, who talked about the gerrymandering, he said "there was gerrymandering done" and, of course, there was not because it was done by an independent commission and we did not change any of it. However, he indicated the reason the changes were made to the boundary at the time was because the Minister of Fisheries (Mr. Rideout) was going to be in some trouble and so they wanted to get Englee, Boyd Arm and Roddickton out of the district of Baie Verte - White Bay, move it up to the hon. member's district, the Strait of Belle Isle and in with all the rest of it because they were all Liberals. Well then, if that is his argument, taking all that into consideration, I would like to ask the hon. member how he can explain in the 1982 election, just three years ago, when Englee,

Boyd Arm and Roddickton were in the Minister of Fisheries district and he was the Liberal candidate running against that particular member, he got solidly trounced. Now, how does that jibe at all with what the hon. member was trying to say, while trying to accuse?

I do not want to mention the fact, Mr. Speaker, the Minister of Fisheries (Mr. Rideout) also soundly trounced the member for the Strait of Belle Isle (Mr. Decker) for the Liberal nomination in 1975 in addition to that, and, no doubt, had he run again in 1985 against the Minister of Fisheries, he would have been soundly trounced once again. So, his arguments do not really hold any water at all. I hope if he is going to send the report of the comments in the House of Assembly to his newspaper up there, to my friend, Mr. Bromley, I hope he includes that part of it in there as well.

Mr. Speaker, in any event, that is a bit away from the petition itself. But I know Your Honour is extremely interested in those little anecdotes and you can tell by the way Your Honour looks at me. So, I thought I would pass it on in the debate and in the discussion.

I have no hesitation in morally giving my support to the group on this petition.

MR. CALLAN:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bellevue.

MR. CALLAN:

Mr. Speaker, I want to stand and speak in support of the petition

so ably presented by my colleague. As I have said in this Legislature on numerous occasions, whenever there is a petition from any part of the Province that has anything to do with a group of people trying to improve the roads on which they have to walk on and travel on and keep the dust down off their clothes lines and so on, I am only too happy to support it.

The member who just took his seat was talking about being soundly trounced. Well, the member who is presently standing, Mr. Speaker, has not been soundly trounced anywhere in the four times that I have run in Bellevue district.

But in any case, Mr. Speaker, it is not because they have all paved roads out there. Like the Strait of Belle Isle district or Baie Verte - White Bay, which this petition apparently came from, of course, in the district of Bellevue there are unpaved roads as well. Last night on Here and Now those of us who saw the programme were made very much aware of how bad some of the dirt roads are, especially during this time of the year, as we saw what the good people in Markland have to experience. They voted for the PC candidate in the last two elections, by the way, giving him 99 votes. There were 90 and 9 that safely lay in the shelter of the fold of the PC candidate in Markland; in 1982 there were 48; and in 1985 there were 53. So, it was almost double the PC vote.

But in spite of that, Mr. Speaker, and in spite of what the minister who just took his seat was saying, that it does not make any difference whether this is in a Liberal district like the Strait of Belle Isle, or in Baie Verte - White Bay, that if work should be

done, it will be done. In spite of the minister saying that, Mr. Speaker, we know and the people of Markland know and Hillview and Hodges Cove and the other areas of this Province, they know full well that it does make a difference where you live. The people in Markland are being punished by this government. Why? Is it because they do not support the government? No, I just gave the figures. They more than doubled the PC vote in Markland, as compared to the Liberal vote, so that is not why. The good lady who was on Here and Now last night from Markland said, "we will not get any pavement in here because we are Liberals." I explained to Bill Rowe on Open Line this morning that she was wrong. The figures I gave just now as I say prove that she is wrong.

So, Mr. Speaker, I support the petition and I support anybody, no matter in what part of the Province they live, any group of people who are looking for improved road conditions, because as you could see from the television programme last night how bad things can be. I was in there yesterday morning. The CBC arrived after I had left, unfortunately. I met CBC as I was almost into St. John's, but I was there at 9:30 and I stayed until 10:30 in Markland. The RCMP officer told me that he was just talking to the CBC and they had no intention of coming out. I do not know if it was a lie for the RCMP officer or if it was a lie for someone at the CBC, but they did turn up eventually, anyway, and did their thing on the Markland Road.

But the Markland Road, Mr. Speaker, is indicative of soft

roads and unpaved roads everywhere in this Province, especially during this time of the year. Any group of people who get together and who take the time to travel from door to door collecting signatures for a petition to be brought to this hon. House to try and get their roads improved and to bring their message to government, are to be congratulated and commended, Mr. Speaker. I do that for the people in Englee and I do it for the people in Markland and Hodge's Cove and Hillview and Hatchet Cove, where they give a Liberal candidate a hatchet job in each election but they need and they deserve pavement anyway, Mr. Speaker, no matter what their political stripe is. The sooner the Minister of Transportation (Mr. Dawe) comes to the realization, that he cannot go on province-wide television saying, "We help our friends and we do not help our enemies and the enemies are the Liberals in the Legislature," as soon as the Minister of Transportation and the Premier and the government which they lead in this Province start to think of all Newfoundlanders as equal and, therefore, equally deserving of taxpayers money, their own money, being put back in the towns and the communities where they live, the sooner that happens, Mr. Speaker, the more justice we will see in this Province for all.

I support the petition and I hope that the Minister of Transportation (Mr. Dawe), who is not in his seat, is in ear shot of the Legislature and that when he is considering his departmental funds for upgrading roads that he will not forget the good people in Englee and neither will he forget the good people in Markland and

other parts of the Province who need and deserve it.

SOME HON. MEMBERS:

Hear, hear!

### Orders of the Day

Motion, the hon. the Minister of Rural, Agricultural and Northern Development to introduce a bill, "An Act To Amend The Farm Development Loan Act," carried. (Bill No. 15).

On motion, Bill No. (15) read a first time, ordered read a second time on tomorrow.

Motion, second reading of a bill, "An Act to Revise And Reform The Law Respecting Corporations." (Bill No. 20).

MS VERGE:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Justice.

MS VERGE:

Mr. Speaker, thank you. I am very pleased to introduce in the House of Assembly this bill which is "An Act To Revise And Reform The Law Respecting Corporations."

This bill is designed to replace the existing Companies Act which had its origins in nineteenth century English statutes. A prominent Newfoundland business person said to me last year that, "Newfoundland has the world's oldest companies legislation." I think it is about time that we change the situation so that we no longer have that somewhat dubious distinction.

This proposed new Corporations Act

is designed to modernize and simplify the Province's corporate law. For a long time now, business people, lawyers and accountants, as well as others informed on the subject of companies law in the Province, have recognized that our present Companies Act is out of date and inadequate.

Mr. Speaker, this Bill sets forth a Corporation's Act which is modeled on the Canada Business Corporation's Act and legislation in other provinces. The model legislation, the federal act, and some of the other province's acts, came into force in the 1970s and those acts have been proven to be quite satisfactory for the conduct of business in the country. They have been judged highly successful.

Our new Corporation's Act, as is set out in this Bill, I believe, will benefit existing businesses in our Province and the proposed new legislation will make incorporation in this Province, as opposed to any other Canadian jurisdiction, more popular in the future. This is a measure that has been commended to our government by our Economic Advisory Council as well as various Chambers of Commerce and Boards of Trade. The introduction of this Bill is the culmination of a long process.

In 1976, the Moore's government commissioned the present Leader of the Opposition (Mr. Barry), who was then in law practice, having suffered a setback in his political career, to make a proposal for new companies legislation. Two years later, the Opposition Leader produced a report setting out an act modelled after the federal act and the



Ontario act and that report was tabled in this House as a White Paper.

Mr. Speaker, as many members present will recall, two years ago, in 1984 our House established a Select Committee on Corporations and Certified General Accountants. That committee was chaired by the member for Kilbride (Mr. R. Aylward) and the committee diligently discharged its mandate, which was, as it pertains to this measure, to review the White Paper on corporate law and to solicit comments from the general public.

Mr. Speaker, the committee held hearings at different places in the Province and received briefs from a number of groups, including major submissions from the St. John's Board of Trade, the Institute of Chartered Accountants for the Province, the Certified General Accountants Association of Newfoundland and the Newfoundland Medical Association. Generally, the people who expressed their views on the proposed new companies legislation to the Select Committee reacted very positively. Mr. Speaker, this Bill includes some of the recommendations made by those groups. This bill represents an improvement over the White Paper.

Mr. Speaker, I would now like to outline some of the important provisions of the Bill. As I have said, generally it will modernize corporate law. It will simplify, make more efficient, more speedy and less costly incorporation procedures. The Bill will afford greater protection to shareholders and creditors. Generally, the proposed new corporate legislation will facilitate the conduct of business in our Province.

In particular, Mr. Speaker, the Bill permits one shareholder companies. The present Companies Act requires a minimum of three shareholders for a company and three subscribers to the incorporation of a new company. This Bill will allow just one shareholder to form a company.

The bill will also provide that corporations will have the status of a natural person and the powers which a corporation may exercise will not be limited unless the incorporating documents provide for limitations. Failing any limitation in the incorporating documents, a corporation will be able to carry out any kind of legal activity whereas, presently there is a somewhat old doctrine of the law that a corporation may only do those actions or carry out those activities which are specifically enumerated in its incorporating documents. With the trend toward accelerating change, businesses often have to adapt and change in a fairly major way from the objects set forth in their incorporating documents.

Mr. Speaker, the procedures for having a company incorporated initially have been simplified. Incorporation will now be possible without the services of a lawyer or a solicitor. That is one of the innovations of this bill and one of the changes from the White Paper prepared by the Leader of the Opposition. Of course, he was then in a private law practice.

So, Mr. Speaker, from now on, assuming the enactment of this bill into our new corporation legislation, business people in the Province will be able to have companies incorporated more easily, faster, with less expense and without the requirement that a

solicitor or a lawyer act for them in carrying out the incorporation. Mr. Speaker, the bill presents a codification of the duties of directors. Presently the duties of directors are explained and described in court made law or common law, which is sometimes difficult to collect and analyze. The bill presents in a concise consolidated form the duties of directors of corporations.

Mr. Speaker, the bill also affords much greater protection to shareholders. I would like to stress, in my opinion, one of the best features of the bill is that it sets out effective means for minority shareholders to seek relief from unfair or prejudicial actions. Minority shareholder rights include provisions for dissenting shareholders. Shareholders who take exception to decisions of the majority of shareholders to radically alter the structure of a corporation or the business carried out by a company can have their shares purchased at fair value.

Mr. Speaker, the bill would permit a minority shareholder to take a court action which is considered to be in the best interests of the corporation where the majority fail to initiate such court proceedings. The applying dissenting minority shareholder must establish, to the satisfaction of the court, that the court proceeding desired is indeed in the best interests of the corporation and that that minority shareholder is acting in good faith.

Another feature, in the interests of minority shareholders, permits such shareholders to make application to the courts in

respect of any corporate action or inaction, any business carried on or the exercise of any power of directors that is oppressive or unfairly prejudicial to that shareholder. Once again the court has the authority to make any order it thinks fit, including orders restraining corporate conduct, appointing a receiver, amending the companies' articles, appointing new directors, issuing or transferring shares, directing purchase of a shareholder's shares, varying or setting aside contracts, directing an accounting, directing the payment of compensation to an aggrieved person or dissolving the company.

Mr. Speaker, these changes represent a major improvement in our corporate law. In our Province, most businesses are carried on by private companies which are small and there have been many instances where minority shareholders have been unfairly and prejudicially treated by the majority shareholders by their respective corporations and where, in effect, dissenting minority shareholders have gotten frozen out and have been stuck with shares which they are unable to sell, which they are unable to cash in for fair market value. This bill will remedy those kinds of situations and ensure that all shareholders are afforded the opportunity to go to the courts and establish their case and receive justice in the future.

Mr. Speaker, I have mentioned that this reform of our corporate law has been urged by various business people and individuals around the Province. Those making submissions to the Select Committee of the House reacted very favourably to the White Paper proposal. They did suggest some

changes. Some of those suggestions have been incorporated into this bill but, the thrust of the message that this government has received from the people of the Province is that the sooner this corporate law reform is brought into being, the better.

It is felt by business leaders that this kind of reform of our companies law will make the conduct of business in the Province somewhat easier, will make possible new innovative ways of corporate organization, will facilitate corporate restructuring, will stimulate investment and, generally, will be good for our economy. That is the word we have been given by our own Economic Advisory Council, for example.

As well, we have been advised that this kind of modern corporate law will make it more attractive for businesses to incorporate here in this Province and less likely for businesses here to incorporate federally or to incorporate in another province.

Mr. Speaker, as I have already mentioned, this bill has been many years in the making. Business people, lawyers and accountants have been afforded the opportunity of contributing to the drafting of the bill. Mr. Speaker, the bill provides that the new act will come into force January 1, 1987. The time between now and then will allow the Registry of Companies to make necessary adaptations.

Mr. Speaker, the act also provides for a two-year transition period so that from January 1, 1987 until the end of 1988, existing companies may conform to the requirements of the new act. There will be two years from the

coming into force of the act next January 1 for existing companies to become registered under the new act. The bill provides that any existing company which fails to register during that period, that would be up to the end of 1988, will be dissolved.

Mr. Speaker, after having outlined the major provisions of the proposed new Corporations Act, I will conclude my introductory remarks and will listen with interest to the comments of other members of the House.

Thank you very much.

SOME HON. MEMBERS:  
Hear, hear!

MR. BARRY:  
Mr. Speaker.

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

MR. BARRY:  
We thank the minister for that information, Mr. Speaker.

I am not sure there is a conflict of interest here but I should declare the possibility of one anyhow in that I was retained when I was not a member of this House, when I was in private practice and teaching at law school, to prepare a revised version of the law respecting corporations. The draft which I prepared has been circulated previously in a White Paper, I believe, some time ago, and this bill has been on the Order Paper before. The White Paper has been circulated extensively throughout the Province to various interest groups. I think the Law Society, other professional associations, such as chartered accountants and

otherwise have had an opportunity of looking at this White Paper and making submissions to the minister. I am not going to go through in great detail the items that are contained in the White Paper. I will briefly state a couple of the reasons why I believe it is important that we see a review of the law relating to corporations in this Province.

First of all, from the point of view of revenue to this Province, it will make a difference. It could make a considerable difference in the amount of corporation tax that we will receive, and here is why: For a person wishing to incorporate in this Province at the present time, it is much easier and much more convenient for him or her to incorporate a federal company. There is almost a do-it-yourself kit from the federal Department of Consumer Affairs and, with very little red tape, individuals can incorporate a federal company. In fact, the incorporation of a federal company gives people virtually all the rights and privileges that they would have operating in Newfoundland through a Newfoundland company and, in addition, the rules that then apply, the regulations that apply to that company in terms of the numbers of shareholders they need to have, the numbers of directors, the various ways they keep their documents and so forth, the protection for minority shareholders, all these matters appear to be much more modern, much better than the current system under our Newfoundland Companies Act.

What is happening is we are seeing more and more incorporation taking place under the federal companies act, and that means that there are

registration fees lost to the Newfoundland Government, and ultimately there could be corporation tax lost to the provincial government by this happening. That is not desirable. We should make sure that in this Province the procedure for incorporating is no more complicated than the procedure for incorporating under federal legislation.

I think the other important reason that we should move to a new corporations act is because of the artificiality that is involved in the present system within Newfoundland. Right now, if one person wants to go out and incorporate a business, say the member for the Strait of Belle Isle (Mr. Decker), to run a nursing home and he is the sole investor, he is going to have to find two other names to put in as shareholders for that company. Now, the tradition tends to be to put in your wife and your son or your daughter, if they are of age. If they are not of age, you have to go find a third party and often this is done by a lawyer holding a share. That share is supposed to be held in trust and it is supposed to be clearly designated who the lawyer holds the share for. Sometimes this is overlooked. One of my earlier cases in court - as a matter of fact, it was a case referred to me by the present federal Minister of Justice (Mr. Crosbie) who recognized my capability in the field at that time. The first year out of law school I think I was then - was a case where you had two shareholders and a lawyer and there was some question, because it was a 50/50 division, as to whether that lawyer was able to vote on the side of one party or the other, and the lawyer was

taking the position that he was going to vote his share in favour of one of the parties so that it would not be 50/50.

Now, we had to go to court and we had a fairly lengthy court case which was settled about three-quarters of the way through. The matter was resolved, but it just gives an indication of the complication. Why should a person who wants to incorporate a company have to go out and engage in this artificial type of thing, of finding another person who is not interested in the operation of the company at all?

MR. DECKER:

That will be gone now, will it?

MR. BARRY:

That will be gone. That is item number one, incorporation by a single shareholder is permitted now.

MR. DECKER:

They still have limited liability.

MR. BARRY:

They still have limited liability. There is nothing changed as far as the limited liability is concerned.

If you look at the objects of the average company downstairs in the Newfoundland Corporations Registry, just about every company down there is able to do everything from run a chicken coop to engage in space research, and that is because of the theory - it is a doctrine of ultra vires, and unless the company is specifically given the power to do something in its objects, in its memorandum of incorporation - it has been modified recently, but the law is still there that the action can be declared null and void because it

has not been spelled out that the company is authorized to do these normal things, such as buy and sell land. If that was left out by inadvertence from the objects of the company today, the company would not be able to buy and sell land, do the normal things that any corporation will do.

Now, how do we get around that? Just give the corporation, as we are doing in this act, the capacity of a natural person and say that the company can do anything that a normal person is allowed by law to do, and you get away from this necessity of having to draft up this complicated set of objects for a company. It might even save a few dollars on your legal bill. You may not even have to have a lawyer. I have gone a long way in terms of making it easy for a person to incorporate without having a lawyer. I wonder has the minister - we will get at this in Committee - taken away the need for a lawyer's certificate? There is no need for a lawyer now to certify that everything has been done properly in order to incorporate. Then it looks as though the average person could go in and incorporate a company without having a lawyer.

MR. DECKER:

Would you recommend that, though?

MR. BARRY:

The average person could take out his own appendix or her own appendix, as well, you know, force put, and the average person could engage in other medical procedures on his or her body.

MR. DECKER:

Or he could preach a sermon 'Leo'.

MR. BARRY:

He could preach a sermon. He could decide to build his or her own airplane and fly it. I have to say that I am definitely in a conflict of interest now in speaking in favour of a group of individuals as being in the monopoly by the state to carry on legal services, and I am doing it with my tongue partly in my cheek, but it is now at the stage where once this act is passed it will be possible for the ordinary person, if he or she so wishes, to go in and incorporate without a lawyer.

I notice the member for Exploits (Dr. Twomey) is quite interested in this and will obviously save himself many hundreds of dollars in legal fees as he increases his corporate empire, once this bill is passed.

There is no reason why we should have individuals being forced to go through this rigamarole of listing out all these objects that their companies are going to engage in when they do not even know what their company may be doing ten years down the road, or fifteen years down the road. They have to try and make it so broad that they can do literally anything. Well, the simple way of doing that is to say that the corporation has the capacity of a natural person.

I have had some approaches by certain individuals who are interested in having their companies permitted to purchase their own shares. Right now there is a rule which says that it is illegal for a company to buy its own shares. It is hard to see the reason in today's economic and financial situation for this rule. With this act a company will now be permitted to buy its own shares but, and it is partly

because we have a modern Bankruptcy Act and so forth that this can be permitted today, there are certain solvency requirements that must be met if a company does this.

MR. SPEAKER (Greening):

If the hon. the Leader of the Opposition would permit, it being five o'clock, I have to announce that we have three questions for the late show.

MR. BARRY:

Go ahead, Mr. Speaker, sure!

MR. SPEAKER:

We have three questions for the late show: The first one is to the Minister of Justice from the member for Menihek who was not satisfied with the answer given with regard to the Election Act; the second one is to the Premier from the hon. the Leader of the Opposition who was not satisfied with the answer given by the Premier with regard to the Newfoundland railway; the third is also to the Premier from the member for Bellevue who was not satisfied with the answer given by the Premier with regard to the Newfoundland railway.

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, there is another area which is somewhat controversial, because what it does is it makes it more difficult for majority shareholders to run roughshod over minority shareholders. Right now there is a lot of common law, there are many cases that do limit the ability of the majority to trample on the rights or to oppress the minority. But it is still a very uphill battle for a minority shareholder to protect herself or himself when it comes

to a dispute with the majority as to how the company is being run.

Now, there are certain rights here that will be given to minority shareholders, and this is a judgment call, a policy decision which everybody might not accept. Many people might say, Well, if we have a company and I have the majority of shares, I should be able to run it as I see fit. I think the trend in most parts of the Western World today is to recognize that situations are more complicated now than they were hundreds of years ago and that it is not unreasonable to give the minority shareholder the right, in certain cases, to be bought out, the right to have an appraisal done of the value of his shares or her shares, and not be forced to sell at basement-level prices because the majority shareholder is able to control all the shots.

So this legislation sets out a mechanism for minority shareholders to be protected, to have minority shareholders put in a position where they can force a sale and a purchase by the majority shareholder of their shares under certain circumstances.

MR. OTTENHEIMER:

Can they refuse to pay dividends?

MR. BARRY:

No, no. That would be worse than it is now, if the majority shareholder refused to pay dividends.

Even today dividends can be avoided by the majority shareholder taking out money from the company by way of director's fees and management fees and salaries for officers so that you can soak up all the liquidity of the company and there is no money

left for sharing in dividends. But right now the law is that if dividends are declared, they have to be paid out on all shares, including shares held by minority shareholders, and people can go to court if that is not done.

MS VERGE:

(Inaudible).

MR. BARRY:

That is what I just said. I do not mind questions, if the minister has a question.

MS VERGE:

(Inaudible) now carry on.

MR. BARRY:

The what?

AN HON. MEMBER:

(Inaudible).

MR. BARRY:

No, the minister is correct in terms of when she says, 'when I was set up to look at this.' I mean, you take a decision. Do you try and reinvent the wheel? I was paid a nice dollar for the work I did. I was well remunerated. I was underpaid for the quality of the work, but there were several thousands of dollars involved in that. I think I was working at it the better part of a year, or a year and a half or two years, I cannot remember, but I received a reasonable salary for a good day's work while I was doing this. But it is not just based on the federal or Ontario acts. If the minister is operating on that premise, then she should go back and read it more carefully. I think it was Alberta which had done a review of its act. I looked at all the Provinces and tried to bring in provisions, sections from the legislation of other provinces that I felt was

appropriate for the Newfoundland context. Obviously, the minister does not have too much in the way of complaints because, as I understand it, the bill is going forward, to a large extent, as originally drafted. Am I correct?

I wonder if the minister would, in her closing remarks, indicate where and to what extent there have been changes from the original draft, because we were given this on short notice, we have not had the opportunity to scrutinize clause by clause, and it will save a lot of time in getting this bill passed if we could have some indication as to where it deviates from the excellent report that I presented to her officials some time ago.

MR. TULK:

You did not get paid what you were worth?

MR. BARRY:

No, I was underpaid. I have already said that. I received a fine fee. I would say it was probably, on a hourly basis, less than the average plumber is getting these days.

MR. TULK:

The minimum wage.

MR. BARRY:

No, it was not the minimum wage. It was a bit more than the minimum wage, but less than the average experienced journeyman tradesman would receive, I would say.

MR. FENWICK:

Not as much as Cabot Martin is getting now.

MR. BARRY:

I do not want to get too partisan, 'Peter', I will leave that to you.

We have the possibility now that only one director need be there if it is just a private company, if the shares are distributed to the public, and this is a good thing. If somebody is running his own company, let him get out and run it, as long as people know that it is a closely held company and they pay their money and they take their chances when they deal with them. And there are still laws with respect to directors' duties, and there are laws of fraud and so forth that are there that limit the ability of any individual to play games with the general public.

Another interesting section here is that we are now going to be permitting the transferring of corporations from jurisdiction to jurisdiction. That is called, under the technical term, 'continuance and discontinuance'. We will be able to make an Ontario company a Newfoundland company without basically any discontinuity in the operation of the company and, in the same way, a Newfoundland company can become an Alberta company or an Ontario company, which we would lose, but, again, we are going to lose it anyway. If a person wants to do business elsewhere, you just go out and incorporate a company somewhere else and do it. It is something that is being done in a lot of jurisdictions, it is something that we think makes sense for Newfoundland to be involved in, as well, because, hopefully, we will gain more companies than we will lose through this process.

MR. FENWICK:

Do they still require three shareholders for a federally incorporated company?

MR. BARRY:



No. My recollection is that federal company only requires one shareholder now.

MR. FENWICK:

How about directors?

MR. BARRY:

I think you can have one director unless it is a public company, but it is a long time 'Peter' since I have looked at it. I have to confess my memory is not as fresh as it used to be. I think you can have one director, yes.

Mr. Speaker, I am not going to go on much longer. It is an act, really, that we have to look at more closely in Committee. It is going to take us a bit of time to go through this in Committee, and there will be some individual sections there that members will want to discuss and debate, but, by and large, it is moving Newfoundland company law into the mainstream of Canadian law in this area. I am prepared to support it and I would hope that my caucus will show confidence in supporting that great job that was done by their leader in this instance, before I ever became leader. We might have to put it to a conscience vote, Mr. Speaker, if worse comes to worse.

MR. R. AYLWARD:

Mr. Speaker.

MR. SPEAKER:

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

MR. R. AYLWARD:

Thank you very much, Mr. Speaker. I would just like to have a few words on this act. As mentioned by the Minister of Justice, I had the opportunity and the pleasure, I would say, of doing some

preliminary work on this act through a Select Committee of this House. I did it for free, I did not get the big lump sum payment the hon. Leader of the Opposition got.

MR. PEACH:

How much money did he get, 'Bob'?

MR. R. AYLWARD:

Absolutely nothing.

MR. PEACH:

No, no, the Leader of the Opposition?

MR. R. AYLWARD:

Oh, I do not know. I did not investigate that.

MR. BARRY:

It is was tabled, by the way. If you are trying to embarrass me, it was tabled years ago.

MR. SPEAKER:

Order, please!

MR. R. AYLWARD:

Whatever the exorbitant fee was, it is public knowledge. I want to mention some of the Committee members who worked with me and, I must say, it was a pleasure to work with them. I am sure you realize, from the size of this act, the preliminary information we had, and that it was a very complicated thing to try to sort out, especially when you are going at it brand new, as I did. I must say that one of the members of the Committee, the Vice-Chairman, was very helpful to me. He is a former member for the Strait of Belle Isle, Mr. Roberts, who is not in the House anymore. I must say he did offer a lot.

Another member of that Committee was the member for Terra Nova at the time. He is now the member

for Bonavista North. He left the House for a while, but he is back again now. We also had Mr. Butt, the Minister of Environment, and also the Minister of Development (Mr. Barrett) did some work on this Committee during our Select Committee hearings. Certainly each of them did offer me great assistance and I hope we added something to the final draft of this bill. We did not actually present a report to the House on the Companies Act, but we did on the CGA's Act, which was another part of our responsibilities. But there was an election called in between our hearings and -

MR. SIMMS:

Tell us about the election?

MR. R. AYLWARD:

I was happy enough just to be back here after the election. I would have taken it on again, but I was very fortunate to be named to the ministry by the Premier and I did not have the time to continue with it.

One thing that really amused me, I guess, when I started to do this was the fact that our present Companies Act is based on an act that was brought in in 1899 and obviously has been amended many times since. It is obvious that an act that would be so old, that was brought in such a long time ago would be outdated now. It was obvious that that act needed to be updated, and it is time now that we revised it.

As a Committee, we held public hearings in 1984 and we received some very good presentations from the St. John's Board of Trade and the Institute of Chartered Accountants and Certified General Accountants of Newfoundland and Labrador. One of the reasons why

we did not get to finish our report was because the Canadian Bar Association and the Newfoundland Law Society asked us not to finalize it until they had a chance to get their committees ready. Now, they had the same opportunity to prepare their briefs as those who submitted briefs to us but, so that we could get as much input into this legislation as possible, we did delay presenting our report so that the Canadian Bar Association and the Newfoundland Law Society could make presentations. However, the election was called and I never did get their input before the Committee dissolved. But those who did give us their briefs during our hearings, we tried to take all their suggestions into consideration when the legislation was being prepared. I am sure we did everything we could. I know one of the concerns was the phase-in time of changing from the present Companies Act to the new registration, and there was some concern about the amount of time that a company would have. I think there is a very reasonable time given in this act. I guess it would be about two and a half years before you finally have to be registered.

MR. SIMMS:

That was a legitimate concern they had.

MR. R. AYLWARD:

It was a legitimate concern, which the minister act on. I believe the act comes into force January 1, 1987, and two years from that date companies will have to be registered. In speaking with the Registrar of Companies, downstairs, I learned there are some problems, where many, many companies are registered but are

not sending in their updates. I suppose if one were to go through some of the files down there, one would find that there are many companies still registered which are no longer in existence, and this act will take care of that.

One of the main reasons I thought when we needed an update in our act was a statistic I saw when reading through some information comparing incorporations under the old federal act to what is happening since they brought in their new act which made things a bit easier. I think the average under the old federal act was something like 2,000 incorporations each year and, after the new act was brought in, there were over 7,000. We really need to update our act so that it will be easier to form companies in our Province as well as in others. We were losing incorporations, as I understand it, because of this federal act.

MR. SIMMS:

It will help us get a handle on it. I guess.

MR. R. AYLWARD:

We should be able to - I guess compete is not the word - offer the same advantages to companies that want to incorporate in our Province. I guess with oil development pending, a lot of companies might wish to move into this Province, and the easier we can make it for them to set up and incorporate in this Province the better it will be for our Province.

I am just trying to read through a few more of these notes. I notice a procedure in the federal act, and I have not gone through our act enough right now to see if it was included or not, and maybe the minister will comment on it when

she gets up, but the federal Department of Consumer Affairs produces a type of kit for the individual or person who would not be familiar with how to form a company. This kit, produced by the Federal Department of Consumer Affairs, shows the procedure and makes it a kind of do-it-yourself thing. I know our new act makes it much easier to set up a company now, and the fact that you can do it with one shareholder is certainly an improvement.

The Leader of the Opposition (Mr. Barry) mentioned the fact that there were problems with all the articles that had to be put into our present act, and the simple change of companies having the capacity of a normal person certainly will lessen the complications we had before. As I said before, we received many recommendations from the people who made presentations to us, and they did put a lot of time and effort into them, no doubt.

I believe our Committee was set up somewhere around 1982. In the beginning we did the CGAs Act, and quite a few of the people who presented us with briefs had been preparing them from that time, but they updated them and presented them to us so that we could consider them. I received calls from several parts of the Province about the Act, and I sent copies of the draft out to these people. We did not go outside the city for public hearings, but we had planned to go to the West Coast to see if there were any concerns. We advertised, but we did not receive any written concerns or requests for meetings. The people concerned in those areas suggested that their provincial associations, such as the Chartered Accountants, would make

presentations on their behalf so there was not a great need to travel around the Province.

I believe we had two public hearings here in St. John's. People presented their briefs to us and, I must say, they obviously worked hard on them. It certainly impressed me. It was very hard for me to get used to such a big piece of legislation and to understand a lot of the legal terms in this. When we were going through some of the amendments to the old act, it confused me.

MR. SIMMS:

How about input from members of the House, especially members opposite?

MR. R. AYLWARD:

The only input we had from members of the House came from members who were on the Committee. I would just like to say in concluding, from the presentations we received during the Committee hearings, people in the business world and in the accounting field, who were the people who represented the briefs, they have been waiting for this change in legislation for four or five years, and I am sure they will be pleased when it comes into effect. It will be of benefit to all small business people in this Province, in that they can form their own companies without it being overly complicated. I do wish to congratulate the minister for bringing in this act at this time.

Thank you, Sir.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. member for Menihek.

MR. FENWICK:

Mr. Speaker, I am at a disadvantage, I am afraid. I was not in the House when the Committee was struck, and when the Committee went around doing its investigation. It seems that this bill was worked on back in 1975-76, if the Leader of the Opposition was out of the House at that time. I am in a very difficult position to say much on it because of that, so what I am going to try and do is talk out the next six or seven minutes, then adjourn the debate on it, while we go to the Late Show, and that will then give me the weekend to at least have a look at the bill and to discuss it with some individuals with whom I wish to discuss it with.

MR. DECKER:

Are you going to the unions, or what?

MR. FENWICK:

To tell you the truth, there are a few lawyers who are involved with corporation law who are friendly to the party who we would like to talk with.

AN HON. MEMBER:

(inaudible)

MR. FENWICK:

He is the first guy in the world to admit that he is not a practicing lawyer and has not been for a long time, really.

Anyway, the few comments I can make, based on the comments that have been made up to this point, are essentially on the simplifications that have been pointed out by both the Minister of Justice and the Leader of the Opposition, and that is, of course, that the number of shareholders and directors have

been reduced, and that the incorporation can now occur without the services of a lawyer.

That is one of the interesting changes to it. I find it a very positive change. Because I think for a lot of people who would like to incorporate in order to take the advantages of limiting their liability with respect to their houses and so on, what has been intimidating in the past is the idea of having to go through a complicated legal procedure and end up with the significant legal bills as a result of it. I think what the Leader of the Opposition said is correct, that we will get additional fees as a result of it. Just to give you an example, a friend of mine wished to incorporate two companies and, in enquiring both ways, found out that the federal incorporation was infinitely easier. I think I can concur with what both the Leader of the Opposition said and the Minister of Justice said, in that they almost send you a do-it-yourself kit in which you just fill in the blanks and find a name for the company that has not been used before, which is sometimes the most challenging part, since I assume that there are probably hundreds of thousands, maybe even millions, of corporations that have been registered to this point. But he was quite pleased with the process in that it was all done primarily by mail. It avoided the heavier costs that he had before and he was able to set up a business which entailed some risk to both himself and to the house he had and to his family and his wife and so on without putting it on the line in this particular case. So that obviously seems to be a major advantage.

One of the things that I do not have an answer to and I know this is second reading so we are just discussing it in general principle. But I would like the Minister of Justice, when she talks about it later - this is, sort of like, giving her notice - maybe it would be interesting to find out how much lawyers have been charging in terms of incorporating corporations and how much business they will be losing as a result of this change.

MR. BARRY:

Three hundred dollars plus expenses. It might have gone up a bit lately.

MR. FENWICK:

So you are saying \$300 is the fee for it, plus whatever expenses. So we are not talking about a huge amount each particular time unless there is a lot of work that has to be done to prepare it. Okay. So that might be interesting. I am not sure if we are just taking the underpinnings from beneath the legal profession here and that we will end up with a whole bunch of lawyers having to apply to the Minister of Social Service (Mr. Brett) for assistance to keep them going in the future. Looking at his budget, there is not really enough money left over for them.

It would be interesting to know what kind of revenue has been accumulated by practitioners of the bar in terms of doing incorporations and so on. There are also a number of other matters in it. Looking at a bill of this size, I find it somewhat daunting to have to look at what is 307 pages of legislation. Even though the minister was kind enough to give me an advance copy of it, I am still at a point now where I have only had a copy of this

particular legislation for about two days. That I find a bit unfortunate. I am not trying to be hypercritical here but it does seem to me that we should probably look at, in the future, some means of getting the bills available earlier. I understand this was on the Order Paper before. This has not been on the Order Paper before? This is the first time people have seen it? Well, in that case my criticism is valid and I will have to be even more forceful.

I think it would have been nice to have had the first reading of this perhaps a week or two ahead of time of the second reading so that we could have had a chance to look over it a little bit more. I shutter to think that the last people who saw this were the legislative drafts persons and that that is the only really thorough scrutiny that has been given to it. I often wonder what would happen if the computer, which I understand now composes this legislation, had a slight surge of voltage and ended up dropping a chapter out of it, what kind of problems we would have in the future. I would suggest, and I do not know how this can be done - I wish the House Leader was here at this time - it would be nice to get copies of the legislation perhaps a week or two ahead of the time that they go through second reading so that we could have a little bit of a closer look at it. Then I would not have to do silly things like standing up here and trying to burn six or seven minutes so that I can keep the debate going until next Monday or Tuesday or whenever we resume the debate, so that I will have a chance to read it and a chance to examine it in a little more detail.

So those are some of the preliminary comments that I can make on it. I would still like to find out - probably I should check with the legislative librarian - how much she would get actually paid for producing a piece like this? I am sure that it was very well done. I am sure that the Committee chaired by the then member for Kilbride (Mr. R. Alyward) and now minister was quite thorough in the work he had done as well. I am hoping that by the time that I do have a chance to look through it and give it to other people to have a look, they will come back and say that it is a sterling piece of legislation, just the thing they were waiting for since 1899, when the last one was there. Was it Prime Minister Winters, who was the Prime Minister when the previous bill went through, or was it Prime Minister Bond?

AN HON. MEMBER:  
(Inaudible).

MR. FENWICK:  
It is an academic point, but it would be interesting to know who was the Prime Minister the last time it was done. The Minister of Justice (Ms Verge) thinks it was Prime Minister Winters. I think it might have been Bond, but I think I will check back on it afterwards and find out.

MS VERGE:  
Bond defeated Winters.

MR. FENWICK:  
Yes, he did. I say this advisedly to the members opposite. Sir Robert Bond defeated Winters, and he defeated him primarily on the Newfoundland railway. I just mention that to you because it seems to have come up for debate lately.

I now adjourn the debate and I would like to continue it later.

MR. SPEAKER (Hickey):

It being Thursday and 5:30, it is time for the Late Show. We have three items, as announced. The first item is from the hon. member for Menihek, who was not satisfied with an answer provided by the hon. the Premier concerning the Elections Act.

The hon. the member for Menihek.

MR. FENWICK:

Thank you very much, Mr. Speaker.

The reason I want to get this on the Late Show is I wanted to go into a bit more depth on the Elections Act, what I think it is suppose to do, what our criticisms are and, quite frankly, to ask the Premier for his perceptions of the kinds of changes that he thinks should be done with the particular act itself. That is the reason I ask for it back here in the Late Show.

There are, in my opinion, a number of things that an Elections Act should do. I am going to omit talking about anything other than the financial aspects of it. The reason I do that, of course, is because all the other sections are essentially revisions or updating of the legislation that is already there. The financial section is the major innovative part, the new change, the new departure. If I remember correctly back in 1979, I think, that was the major thrust of the Premier's commitment to the Province then.

Okay, what is an Elections Act suppose to do? First of all, it should divulge thoroughly all the funds that are used in the electoral process, where they came

from and who donated the money. According to my estimates, last year in the 1985 election the three parties combined spent close to \$2 million in order to achieve this particular mix among the people who were elected. I do not have all the number for it, but I have some.

We know, for example, due to the analysis of the justice figures that the Tory candidates spent an average of \$12,000 each for a total of \$600,000, individually. Those were the returns that they had to file, that we had a chance to look at in the Registry, and those things are still on file. But, as all members know, that is not the only expenses you incur. The party itself also has major expenses for Province-wide advertising, for central printing and so on. I am guessing that the PC Party may have spent upwards of \$500,000 on that kind of advertising. I am going to say it might be \$100,000 give or take, but it is still up there.

The Liberals, I would suggest from their figures, indicate about \$300,000 for the individual candidates, and I would say that their central campaign was probably in the range of \$200,000. The candidates that we ran, spent an average of \$1,800 or less, and \$2,000 each for a total of little under \$100,000, and another amount for the central campaign.

The point, Mr. Speaker, I am trying to make is this: a lot of money was spent on it, yet there is not a single piece of legislation in this Province today that forces disclosure of where it came from. I can tell you right here that a lot came from individuals in our party and a lot

came from trade unions. I am the first to admit it. I am also willing to suggest that the PC Party got a lot from contractors and from corporations and so on. I am not saying there is anything illegal or unethical about it, all I am saying is I think it is important to the people of the Province to know exactly where the money came from, because it is important to find out from where it came from.

Secondly, what else should the Elections Act do besides telling you where the money came from? Well, it should limit the donations itself. That is actually in the draft legislation, that there is a limit of something like \$2,500 to \$5,000 per year. That is a good one because it means that no large contributors can then dominate one particular party.

Thirdly, there is a public rebate to parties and that is part of the essential nature of making it as equal as possible for all serious contestants in the particular field itself. Although the particular piece of legislation drafted by the member for St. John's North (Mr. J. Carter) is pretty nasty since it allows for major funding for the PC party and the Liberal party under its rules and would make it virtually impossible for new parties to gain funding. I find it very discriminatory and I would like to see it changed.

Particularly nasty, and I point this out because I want the Premier to know about it right now, and of course, he knows about it previously since I have addressed it, is the fact that labour unions are not allowed to donate any of the money that is

collected for membership fees. I find that objectionable, not that that could not be acceptable to us. It would be if we did like Quebec did and prohibited all contributions from anyone other than a natural person, which would mean, of course, that trade unions could not contribute but, neither could corporations. As long as corporations would be allowed to contribute, as they are under the draft bill, then I think the trade union should as well.

What I would like from the Premier in his five minutes here is since he has indicated that there are going to be major changes to it, would he indicate which of the sections are causing problems and indicate which direction he would like to see them changed because I, like him, share a very, very deep concern for electoral reform, especially the financial aspects of it.

Thank you, very much, Mr. Speaker.

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

PREMIER PECKFORD:  
Mr. Speaker, I think the hon. member for Menihek (Mr. Fenwick) was very responsible in his remarks in trying to deal with the substantive issues with which he has some concern and some argument with me. I will try to respond in like measure. I appreciate his presentation and the way in which he went about it.

I think the hon. member is correct when he says or when he suspects that it is in these areas where we are having the most problems. There is also some problems with the administration angle of it as it relates to how far do you go in the business of having the various



district associations, how stringent do you get on them keeping records and submitting it to the electoral officer or somebody else? Just how strict do you have to get? Is it down to the last fifty cent piece? There is a school of thought there which says you are just gone too far, you are overregulating in the sense that you almost have to have accountants and lawyers around at the district level. There has to be some control there too and some reporting mechanism but keep it as simple as possible, do not make it complicated. I guess that is the best way to say it.

On disclosure, yes, I do not find any problems with disclosure. There are lots of schools of thought on the limitation and where the limitation should be. So I do not think there is all that much problem from the disclosure point of view.

The hon. member says he is just calculating out how much was spent in the last election. I doubt whether it reached \$2 million though for all three parties. A lot of, for example, the money last time and even the time before for the PC party came locally. Most of the candidates raised a lot of money locally so they were small contributions of \$5 to \$10 to \$100 to \$200. When you subtract that from what would normally be considered that the party, per se, as opposed to a district association raised, you are down to a lower level.

MR. BARRY:

It was between seven hundred and fifty and a million I hear.

PREMIER PECKFORD:

No. It was not. As a matter of fact, the campaigns since 1979

have been more modest than they were from 1972 to 1979 and I say no more. I am sure the member for Mount Scio (Mr. Barry) appreciates that comment.

On the contribution side, here is an argument: Now, the member for Menihek (Mr. Fenwick) makes it seem pretty simple when he says it - it almost flows out as motherhood - but there is a big question here. He talks about membership fees in the unions, where the unions are is just unilateral. They pay their membership fees. They never voted that any of this money go to a political party. They voted for the leadership of the union to negotiate a better collective agreement, higher wages, and better working conditions. That is what unions are all about, but when Tom Jones finds out in Too Good Arm suddenly finds out that some of the money that he has paid into the union has gone to a political party, well, that is not democratic for any political party.

The member for St. John's North (Mr. J. Carter) also brings up a good point when he talks about when you get into funding, those out there who are selling their wares to you, posters and publications and all the rest, automatically increase their numbers, so you are talking about perhaps a more expensive election as a result of the regulations than you would otherwise.

So, on the contribution side, I think we have a legitimate concern with the whole question of unions and where they enter into the picture of contributions, and just allowing the union leadership or executive to take so much of the money that members contribute to the union to go towards a

political party. I mean, since 1972, I would hazard a guess that the majority of union members in the Province have voted P.C. I know the majority of union members in my district have voted P.C. It is easy to do their numbers, no problem at all. As a matter of fact, I have some very significant indication that they are going to continue to do that.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

But the hon. member is right that this is the area of main contention where we are debating right now. So I hope that assists the hon. member as to why there is some delay.

MR. SPEAKER (Hickey):

The second item is from the hon. the Leader of the Opposition (Mr. Barry), who is dissatisfied with the answer given by the hon. the Premier concerning the Newfoundland Railway.

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, the Premier has been expressing concern quietly to various individuals who are reasonably close to him lately that people do not seem to be believing him anymore, people do not seem to be believing him the way they once used to.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. BARRY:

He is becoming concerned, Mr. Speaker, that -

MR. MATTHEWS:

You are 20 points behind.

AN HON. MEMBER:

You are gone.

MR. BARRY:

You can test how close you are coming to the mark by the level of the comments from the minister for soccer balls and other individuals who are afraid to get up and participate in the debate. They can only heckle.

SOME HON. MEMBERS:

Oh, oh!

MR. CHAIRMAN:

Order, please!

The Chair is going to intervene. I am going to insist on some silence and some order for hon. members on both sides so we can get through the Late Show.

MR. BARRY:

We only have five minutes, Mr. Speaker, and I will deal with the rabbits later when we have more time for debate.

The Premier will gain some credibility if he comes out and, in an honest, forthright fashion, admits to what has been taking place between himself and Mr. Crosbie on this issue. He has given the wink to the federal minister in Ottawa to prepare a compensation package and to seek approval from Treasury Board for that compensation package. He has given the federal minister for Newfoundland the understanding that if that compensation package falls within a certain range, then he is going to recommend that it

be accepted, and he is going to bring in legislation or whatever is necessary, into this House to ask that the Newfoundland railway be abandoned. He is not being honest with the people of this Province when he gets up and tells us that he has not had any negotiations, when he turns around and says, "Well, I may have had an informal chat on the Newfoundland Railway," when the minister is up there saying he has a proposal, he has presented it, that he would not present it to Treasury Board until he had the okay from the Premier of this Province.

Mr. Speaker, the Premier owes it to this House and he owes it to the people of the Province to come clean and admit that he has backed off once again on an issue that he said he would fight to the political death on. Maybe it is because he is realizing his political death is fast approaching that he is prepared to back off.

MR. PATTERSON:

He will be around when you are forgotten.

MR. SPEAKER:

Order, please!

MR. BARRY:

Mr. Speaker, I have to tell the Premier, look at this headline: "Widen our railway asks Newfoundland Premier." This is a headline. "Widen our railway." That is back in 1980. "Newfoundland wants it trans-island railway converted to standard gauge." Well, Mr. Speaker, it is going to be pretty wide, those tracks are going to be pretty wide when they are torn up.

MR. TULK:

If Crosbie gets his way.

MR. BARRY:

If the Premier and Mr. Crosbie get their way, they are going to be pretty wide.

The Province must not allow the federal government to avoid its responsibility for the maintenance of the railway in general and in particular of the all rail freight rates across the Gulf, as set out in the Terms of Union. How many times have we heard the Premier recently get up and reiterate that?

Mr. Speaker, we have a conspiracy of silence, another one of those Conservative conspiracies, concealed behind the curtains, Mr. Speaker. The Conservative curtains have been closed to form a cloak around the Conservative clique that now exists. We have governments now that are trying to keep from the people of the Province what is actually happening. I would ask the Premier to consider this: Where is his credibility going to be the day that he comes in and says, "Yes, we have a deal to sell out the railway." And whether it is thirty pieces of silver or whether it is \$.5 billion or \$1 billion, the Premier's credibility is going to suffer in the same way. He has gotten up in this House, he has been misleading this House and misleading the people of this Province and it is time for that to stop, Mr. Speaker.

MR. SPEAKER:

Order, please!

The hon. the Premier.

PREMIER PECKFORD:

How tiring, how tiring! The Leader of the Opposition, I really thought that once he got over there and got himself established that he would put on a better

performance for the people of the Province that he has to date.

AN HON. MEMBER:  
Lack-lustre.

PREMIER PECKFORD:  
The new term that is now being applied to the Leader of the Opposition is lack-lustre.

MR. SPEAKER (Hickey):  
Order, please!

PREMIER PECKFORD:  
It is raspy or something, I do not know what it is. It is raspy-

MR. SIMMS:  
Irritating.

PREMIER PECKFORD:  
Yes, it is something or other. He gets up and he tries to make -

SOME HON. MEMBERS:  
Oh, oh!

MR. SPEAKER:  
Order, please!

I have to insist that silence be maintained. In the case of the hon. the Premier, members on this side restrain their enthusiasm, and members on this side, stop intervening.

PREMIER PECKFORD:  
It is a real strange piece of business. I do not know where the Leader of the Opposition keeps himself or what he does with himself or if he knows what is going on in the Province.

I do not mind telling the hon. the member for Menihek (Mr. Fenwick) that there are three numbers that are very interesting in a poll that was taken about a couple of weeks ago. I will just tell the Leader of the Opposition

something. This is the only answer I can give him when he starts talking about my believability and credibility. This is totally accurate, valid within five per cent, plus or minus.

SOME HON. MEMBERS:  
Oh, oh!

MR. SPEAKER:  
Order, please!

PREMIER PECKFORD:  
No, no, totally independent. This is totally independent and I do not necessarily want to uplift the member for Menihek but as the three names were put out and people were asked "Who do you believe?" and "Who would you go for?", the member for Menihek, the Leader of the NDP Party, came in at 30 per cent, the Leader of the Opposition, 7 per cent, and yours truly, 64 per cent. Now that is believability.

SOME HON. MEMBERS:  
Hear, hear!

PREMIER PECKFORD:  
I have gone back two or three times and had that thing researched by experts, as a matter of fact only six days ago. That is a fact, plus or minus 5 per cent. As a matter of fact, there are areas of this Province -

MR. SPEAKER (Hickey):  
Order, please!

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

MR. SPEAKER:  
Order, please!

The hon. the member for Bellevue on a point of order.

MR. CALLAN:

I was supposed to ask the Premier some questions about the railway as well and that would have taken an additional five minutes. I was going to not go ahead but the Premier is not in any way answering the Leader of the Opposition's questions about the railway. I think he should be asked to be relevant.

MR. SPEAKER:

Order, please!

There is no point of order.

The hon. the Premier.

PREMIER PECKFORD:

That is the credibility question that was introduced there earlier. I might just go on to say - and I will stop then and deal with the railway - that there are large segments of this Province now, one large section which includes about ten to twelve districts, where the NDP Party is at 23 per cent and the Liberal Party is at 21 per cent. That will give you another idea.

So I would tell the Leader of the Opposition to stop his credibility business because he is into a problem.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

Oh, no. I know from whence I came on that. You can laugh and try to pass it off but you know it is true.

Anyway, on the railway, we have indicated to the federal government, Mr. Speaker, what our

position is and we are waiting to hear back from them. We have put our position to them and we are waiting to hear back. They have indicated to us that they will be coming back to us. Unfortunately, as we have said for the last three or four months, they were supposed to get back by the end of December. They have had their own internal problems as it relates to that and that is their problem, not mine or not this government's. So we will have to wait until they get back to us to see whether they are going to accept our position or not. Then we will go on from there. That is where it is. We have put a clear, firm position on the table on the way that we want to proceed, which we have made public as it relates to retention and major upgrading on the railway. Now we have to wait and see what the federal government says about that.

If they say they want to come back to us in a number of proposals in a number of ways, well, that is fine. We have said, "fine, we will not be so dogmatic as to not look at what you are going to suggest to us" but, to this date, we have not received that. We are told, as a result of the last few meetings with Mr. Crosbie, our federal representative, that he anticipates that that will be very soon now and that there will not be any more delays. We have said to him, "Well, thank you very much. That is good. We would like for there to be no more delays because we would like to get this matter resolved."

We have had extensive meetings with the unions, all the union leadership from right across the Province, and they are on pins and needles to know what is going on. So we will get an answer soon and

then we will know exactly where the federal government stands, whether they adopt our position or whether they adopt a different position. We have put forward in the strongest terms our position and that is where it is. It has got nothing to do with all the other foolishness that the Leader of the Opposition talked about at all.

Everybody in Newfoundland knows where we stand on the railway and we will have to wait and see whether the federal government stands there or not. That is where it is.

MR. TOBIN:

Tell us more about the poll.

PREMIER PECKFORD:

No more, I will just let it out tidbit after tidbit. But I had to go back, Mr. Speaker, and get this verified before I was willing to say anything more about it. I can stand by those figures now, sixty-four, thirty and seven. The Leader of the Opposition's credibility, he has to talk about credibility all right because he has got none himself.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

The third and final item is from the hon. the member for Bellevue who is dissatisfied with the answer from the hon. the Premier in connection with the Newfoundland railway.

The hon. the member for Bellevue.

MR. CALLAN:

Thank you, Mr. Speaker. Mr. Speaker, the federal member for

Humber - Port au Port - St. Barbe, said in a press release that the Premier is misleading the Province and misleading the House of Assembly in denying that the Newfoundland government has entered into negotiations with Ottawa regarding the abandonment of the Newfoundland railway. Let the Premier respond to that.

Mr. Speaker, the dilemma that the Premier and his colleagues find themselves in is a very, very similar dilemma to what the Premier and his colleagues found themselves in regarding the FFT affair.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (McNicholas):

Order, please!

MR. CALLAN:

The Premier knows that his good friends in Ottawa, the crowd that promised to inflict prosperity on this Province, he knows full well that our federal representative in the Cabinet in Ottawa, Mr. Crosbie, in spite of all the things that he said in years gone by about his commitment to the railway, the Premier and his colleagues know that the railway in this Province is a dead issue. It is going to be abandoned by Ottawa.

MR. BAIRD:

Have you been on a hand trolley?

MR. SPEAKER:

Order, please!

MR. CALLAN:

Yes, I have been on a hand trolley and I dare say the member has to. That is what we will have left, Mr. Speaker, after Mr. Crosbie and the feds get through with this

Province, a hand trolley here and there left along the sides of the tracks, whatever tracks are remaining.

Mr. Speaker, today I asked the Minister of Justice (Ms Verge) about her continued commitment to the railway and I quoted from a letter she wrote to Mr. Brian Tobin on April 22, 1981. I have a telex here as well which was sent by the then Minister of Transportation on October 31, 1980. "The Minister of Transportation today expressed his extreme disappointment and frustration over the recent federal budget," this was in 1980. "He stated that while Western Canada has been promised \$40 million for the upgrading of their railway system, Newfoundland is being forced to make a choice between the railway and the TCH." Who was that minister who was very disappointed? The member who is just going out to take the elevator, the member for Trinity North (Mr. Brett), the present Minister of Social Services. I wonder if he is just as committed to the railway as the Minister of Justice was as well five or six years ago?

Mr. Speaker the big question, of course, is this: What clout does the Premier and his colleagues have in Ottawa? For years and years I sat here in this Legislature and I heard members opposite criticize the Liberals in Ottawa and how they could not get any money for all the things we should have money for. We were supposed to have prosperity inflicted on us by the new regime in Ottawa and we saw one indication, the FFT affair, of how much this government is listened to.

I think, Mr. Speaker, and the Premier can answer this, if Mr. Crosbie and his colleagues in Ottawa come forth with their proposal, which the Premier says he has not come forth with yet - we question that - anyway, if they do come forward with the proposal which says, the railway must go, "we, the federal government, refuse to maintain it any longer, it has to go. Here are \$1 billion for a four-lane highway across Newfoundland," I wonder if the Premier and his colleagues would buckle down again, would knuckle under, as they did over the FFTs. The integrity of this government, Mr. Speaker, is in question and the credibility has reached an all time low, Mr. Speaker, so let the Premier respond. How will the Premier respond when that proposal is finally made? Will the Premier say to Mr. Crosbie and the feds, "no, we refuse to accept it?" Will he be sending Telexes and having cross-country tours -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (McNicholas):

Order, please!

MR. CALLAN:

- speaking out on behalf of the Province against bad old Ottawa. Let the Premier answer that.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

The Leader of the Opposition talked about credibility. The hon. member opposite who just sat down was talking about integrity and then he talked about the member for Humber - Port au Port - St. Barbe. If the hon. member wants to get into integrity and credibility, where is the hon.

MP's credibility and integrity when he was an executive assistant to the Leader of the Opposition in this House of Assembly when he performed a number of acts with private police reports and so on, making sure they were distributed to the media?

MR. FLIGHT:

Oh, he is dirty now! You are digging deep now!

PREMIER PECKFORD:

Oh, yes! So do not talk to me about credibility and integrity.

MR. CALLAN:

Talk about the railway.

PREMIER PECKFORD:

Oh, yes, let us talk about the railway now. Let us not talk about credibility and integrity now! And here today is an alleged conversation between Mr. Crosbie and Mr. Tobin, and Mr. Tobin's interpretation of it, and then it comes on the floor of this House. Sure, I have not talked to Mr. Crosbie about the conversation he had with Mr. Tobin. I do not know what he said or did not say and I could not care less. If the members opposite want to get at that, they had better go talk to Mr. Crosbie and Mr. Tobin and see what the kernel of the conversation was all about. It is nothing to me at all, and to bring that up as some kind of substantive matter dealing with the Newfoundland railway is ludicrous!

Now, talking about our relationships with Ottawa, this year, we will put through over \$80 million in funds from Ottawa. When the Liberals left in 1984, we were down somewhere around \$40 million to \$50 million. So that is what the co-operation has meant

between the federal government and the provincial government. We have almost doubled the amount of money in flow-through to the provincial economy from the federal government. So we have increased the amount of money coming to the Province as a result. That is what the co-operation has meant.

As far as the railway goes, I have already made my points clear when I responded to the Leader of the Opposition. As far as hearsay goes, second-hand information, second-hand conversations, they do not deserve to be commented upon. They are just alleged to have happened, they are second-hand or third-hand, and I do not intend to respond to things which are second-hand and third-hand.

MR. SPEAKER (McNicholas):

Order, please!

The hon. the Minister of Intergovernmental Affairs.

MR. OTTENHEIMER:

Before the motion to adjourn comes before the House, I would remind hon. members that tonight at 7:30 in the House, the Government Services Committee will continue its review of the estimates of the Department of Transportation and at 7:30 in the Colonial Building, the Social Services Committee will have its review of the estimates of the Department of Social Services, after a slight misunderstanding this morning. Friday, Saturday, Sunday and Monday there will be no Committee meetings.

On Tuesday, Social Services at 7:30 p.m. will consider the estimates of the Department of Health and the Resource Committee in the House at 7:30 p.m. on



Tuesday again, will review the estimates of the Department of Rural, Agricultural and Northern Development.

Tomorrow, we will continue with the Corporations Act and, if that is completed, other Justice legislation.

MR. TULK:  
Mr. Speaker.

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

MR. TULK:  
I am looking at a schedule which is in front of me. Perhaps it is wrong, but I do not believe it is. All I have in front of me is that there is supposed to be a Government Services Committee meeting tonight and there is no Social Services Committee mentioned on that. If the schedule has been changed, I mean, I have notified all of our members on the Government Services Committee that they are to be there, but I certainly have not notified them of the Social Services Committee because it is not on the schedule. Our people are gone.

MR. J. CARTER:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the member for St. John's North.

MR. J. CARTER:  
May I explain? The schedule that we have put together this year has been thinned out to the extent that it is intended that never more than two committees meet at the same time, and any time that two committees have met, that preferably only one committee would meet in the night. That is

to say, if two committees meet in the morning, only one committee will meet at night.

Now, this leaves open quite a number of slots which can be filled on an ad hoc basis. Because of the exigencies of the service, it was necessary to fill one of those slots tonight, and that is what we are doing.

MR. FLIGHT:  
But we did not know it, and our people were gone.

MR. TULK:  
Our people are gone home and we did not even tell them. We have not even been told.

MR. J. CARTER:  
Well, people are supposed to be here while the House is sitting, Your Honour.

MR. TULK:  
That is nonsense.

MR. FLIGHT:  
There should not be a Committee meeting tonight on Social Services.

MR. TULK:  
There should not be, boy!

MR. J. CARTER:  
Well, we are going ahead with it. I could not arrange it until I saw everyone in the House. It has been probably notified.

MR. TULK:  
Our fellows are gone home.

MR. J. CARTER:  
Yes, they can be notified. They are notified now. And there is lots of time to notify them tonight, the meeting will not occur until 7:30.

MR. TULK:

Mr. Speaker, further to that if I could?

MR. SPEAKER:

The hon. the member for Fogo.

MR. TULK:

Mr. Speaker, I would ask somebody on that side to at least get some rhyme and reason into this. Our people who serve on the Social Services Committee live out of town and they have left. I mean, if you had told us at 3:00 o'clock, we may have very well have said, yes, let us go ahead. Our people have left. And it is most unreasonable to expect to announce something at 6:00 o'clock for 7:30.

So will the Committee go ahead or not?

MR. SPEAKER:

Order, please!

MR. SPEAKER:

Order, please! It has been moved and seconded that the House stand ajourned until tomorrow, Friday, at 10:00 a.m.