



Province of Newfoundland

FORTIETH GENERAL ASSEMBLY
OF
NEWFOUNDLAND

Volume XL

Third Session

Number 62

VERBATIM REPORT
(Hansard)

Speaker: Honourable Patrick McNicholas

Tuesday

16 June 1987

The House met at 3:00 p.m.

MR. SPEAKER (McNicholas):
Order, please!

Statements by Ministers

MR. OTTENHEIMER:
Mr. Speaker.

MR. SPEAKER:
The hon. the Government House Leader.

MR. OTTENHEIMER:
Mr. Speaker, the government welcomes the announcement made earlier today, about an hour and a half or two hours ago, by Northcor Energy Limited of their intentions to drill an exploratory well on the Southern Grand Banks of Newfoundland.

SOME HON. MEMBERS:
Hear, hear!

MR. OTTENHEIMER:
Contingent upon all regulatory requirements being met, Northcor will drill the Narwhal F-99 exploratory well, starting in mid-July. Further documentation related to the drilling of the well is in the process of being submitted to the Canada-Newfoundland Offshore Petroleum Board. This information, some of which relates to back-up equipment and insurance, is required before the Board will be in a position to issue the necessary approvals.

This wildcat well will be the 127th well drilled in the Newfoundland Offshore area since drilling first began in the Southern Grand Banks area in 1966. It will be the third spudded this year, the other two

being the Husky/Bow Valley at Bonne Bay, that is C-73 wildcat, and the Petro-Canada for Terra Nova at H-99 and that is a stepout well. There will be an additional stepout well drilled later by Petro-Canada at Terra Nova. The government is especially pleased that the Narwhal well is being proposed at this time of relatively low drilling activity and that additional benefits will accrue to Newfoundland as a result. Drilling has not occurred in the vicinity of the proposed location since 1974 and if Narwhal F-99 is a successful well, then this could spark a resurgence of exploratory activity in a region far removed from the general Hibernia and Terra Nova areas. Such additional activity, if it were to occur, would provide significant additional benefits in terms of employment and business opportunities for Newfoundland.

The proposed Narwhal F-99 well is also important because it will evaluate a very large, untested geological structure, which has the potential to contain substantial volumes of oil and/or natural gas. This potential cannot be confirmed with any degree of certainty of course, until the well has been drilled to its final total depth, and all the strata have been evaluated.

Narwhal F-99 will be drilled by the semi-submersible, Sedco 710, which is currently drilling the Terra Nova H-99 well, and the water depth at the location is approximately 1595 metres. This wildcat well will thus establish a water depth record in terms of drilling in the Newfoundland offshore area. The previous greatest water depth, 1486 metres, was encountered at the Texaco Blue H-28 wildcat well, drilled in

1979. So it will be the deepest drilled in Newfoundland. I understand that the deepest drilled was off the Coast of New Jersey a few years ago; and that was around 2,000 metres.

The Narwhal well is grandfathered, comes under the ambit of the Petroleum Incentives Programme and is eligible for full petroleum incentive payments at the rate of 80 per cent of allowable expenditures. The cost of the well is estimated to be in the order of approximately \$40 million and it will be drilled to a total depth of 5,000 metres, as measured from sea-level. The well will be located approximately 380 kilometres Southwest of St. John's and approximately 100 kilometres East of what is frequently called the disputed area. In other words, the area where France claims to have some interests but which, of course, we deny. So it is 100 kilometres East of that.

Northcor will drill Narwhal F-99 under a farmout agreement with Amoco, Esso and Chevron and they will earn a 50 per cent working interest throughout Exploration Licence 249, which encompasses 276,977 hectares.

In conclusion, therefore, I wish to express government's pleasure with the announcement by Northcor Energy Ltd., of their intentions to drill the Narwhal F-99. The government is encouraged by plans for further drilling like this project, because the Newfoundland offshore area remains still lightly explored - approximately one exploratory well per 2600 square miles of prospective area. Only through substantial levels of future drilling, of course, conducted in a safe and efficient manner, will the Province truly be

able to unlock the door and realize the resource potential in that area.

MR. BARRY:
Mr. Speaker.

MR. SPEAKER:
The hon. the member for Mount Scio - Bell Island.

MR. BARRY:
Thank you, Mr. Speaker. I caught most of the minister's statement, and the Leader of the Opposition (Mr. Simmons) mentioned a couple of other points a moment ago. It is a good sign that we see a wildcat well being drilled. Delineation wells are one thing, where you already have an existing discovery and you go out to firm up the size and extent of that discovery, but a wildcat is drilled in a new area and naturally, then, you have the greater probability of making another oil discovery. There will be some additional employment and additional business opportunities, but, regrettably, Mr. Speaker, we have seen, over the last couple of years, a very serious decline in the amount of money being spent on exploratory drilling, whether for wildcat wells or for delineation wells. We have many businesses that have closed down. I mentioned a few days ago that out of some 200 mobil oil employees that were in the city a couple of years ago, there are less than fifty right now. The spin-off effect, of course, means that we have higher vacancy rates. There are office buildings, office space, unrented, and we have people who had been working for companies that were working for the oil companies who are now unemployed.

MR. J. CARTER:

Are you saying there are too many wells around?

MR. BARRY:

Mr. Speaker, the member for St. John's North (Mr. J. Carter) understands about drilling a well on his farm, but I am afraid he has not taken much interest in trying to figure out what is involved, either in gain or loss, for the city of St. John's or the Province of Newfoundland and Labrador through the decline in drilling which has taken place.

Now, the minister, even giving the slightest degree of interest to his district, will know that in his very own district there are many businesses that have been hurt as a result of the decline in expenditures in offshore oil and gas in the last couple of years. We are also pleased to see, Mr. Speaker, that there is to be, hopefully, an additional stepout well drilled later by Petro-Canada. Again, that would be just a delineation well on the Terra Nova field. It will mean that there will be some additional employment and business opportunities, but there will be no increased prospect for other discoveries as a result of that well.

What we have here now, if I understand the minister, apart from Bow Valley, which I think the minister indicated would be doing two, both wildcat wells, is a third wildcat underway this year. I think it is probably the fewest number of wildcat wells that have been drilled or will be drilled in any one year since 1977, in all probability. So, while it is good news, it is only a little good news. In the context of the fact that offshore oil and gas activity has declined significantly, we

have to ask, really, what are members opposite doing to bring about the great benefits from the Atlantic Accord which they led people to expect would be coming to this Province when that deal was signed? There are a lot of people who invested money in starting businesses on the strength of the minister's promises, the Premier's promises, and Cabinet's Promises, and these people have been let down badly.

There were many people who decided not to move away to Ottawa to look for work because they were told there would be jobs in the oil industry. They have been let down badly; they have been frozen in time, going without income or with very reduced incomes over the last several years because members opposite have not lived up to the promises made at the time of the signing of the Atlantic Accord.

Now, if there is one thing members opposite can do -

MR. SPEAKER:
Order, please!

The hon. member's time is up.

MR. BARRY:
If I could just finish my sentence?

AN HON. MEMBER:
By all means.

MR. BARRY:
I thank the minister for allowing me to finish my sentence. I would say if there is one thing that members opposite could do it is, for heaven's sake, tell it like it is. Whether it is good news or bad news, tell the people of the Province honestly what they can expect so that people can plan their lives around proper information.

SOME HON. MEMBERS:
Hear, hear!

MR. FENWICK:
Mr. Speaker.

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

MR. FENWICK:
Thank you very much, Mr. Speaker.

In looking at this announcement, the most significant part of it, I think, is that on the first page it states that this will be the third well spudded this year, yet we are halfway through the month of June. I assume that at this rate we will talk about all of six wells, perhaps, this year. Given that this is the 127th well, I would suggest that activity has dropped considerably.

If one looks at the second page, where they say the Narwhal well is grandfathered under the Petroleum Incentives Programme, the famous PIP programme, I think what we are seeing, Mr. Speaker, is a terrible indictment of the programme, or the fiscal regime, or the arrangements brought in after the Tories took over in 1984, in which, quite frankly, a programme originated by the Liberals prior to that time under the National Energy Programme is still being used to drill exploratory wells. I think what it suggests is that it has been an almost unmitigated disaster, the regime that we are working under. Admittedly, there are a few problems, when one considers the cost of oil dropping and so on, but it is obvious that the regime in place is not doing it. It is a \$40 million well, 80 per cent of which is coming out of our tax dollars - that is \$32 million - which means that these individuals are spending only \$8

million of this total of their own money to explore a new structure.

Now, Mr. Speaker, I hope like everybody else does, that they find tons of oil because, God knows, we can use the additional development and so on. But, I suggest to you, if we are still working under grandfather clauses of the PIP programme, which was part of the old National Energy Programme, then it is quite obvious that the regime put in by Mulroney and his confreres is not accomplishing the kinds of exploration that we need, and it is obviously time that this government and the industry ate a bit of humble of pie and went back and asked for an expansion of the PIP programme for a much longer period of time.

MR. R. AYLWARD:
Mr. Speaker.

MR. SPEAKER:
The hon. the Minister of Rural, Agricultural and Northern Development.

MR. R. AYLWARD:
Thank you very much, Mr. Speaker.

I would like to inform hon. members of the results of a meeting of the Rural Development Authority held on June 9, 1987.

The Board approved 67 applications totalling \$1,796,298.00 creating 105 full-time jobs and 94 part-time jobs.

SOME HON. MEMBERS:
Hear, hear!

MR. R. AYLWARD:
As a result of these changes announced in the last Throne Speech to include the service sector, 24 of these loans were for

a variety of retail operations, including furniture stores, variety stores and beauty culture shops.

Other approvals were for enterprises such as aquaculture projects, including salmon farming, Mr. Speaker, and mussel farming, pulpwood harvesting, tourist activities, metal fabrication, fish processing and handicrafts.

Mr. Speaker, with the provisions of these loans through my department, I feel confident that small industry will continue to grow and flourish, providing good jobs and security for many Newfoundlanders and Labradorians.

SOME HON. MEMBERS:

Hear, hear!

MR. KELLAND:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Naskaupi.

MR. KELLAND:

Thank you, Mr. Speaker.

I would like to thank the minister for providing me with an advance copy of his statement. It is interesting that the minister gives some information but not detailed information, as I might expect. For example, there were sixty-seven approved projects. I would like to know how many were submitted and how many they considered. I would compliment the minister on the fact that the service sector has been included. I did speak on that last year, as well, or earlier on when it was mentioned.

I would like to know what sort of breakdown there might be available

with respect to electoral districts and, also, how many were truly rural? When you are talking about rural, there is a question on the definition of rural in the mind of the minister, as we determined in Committee last year. Of the sixty-seven approvals, it might be interesting to know what percentage were in districts represented by government members, for example. That should be public knowledge. Of those that were not approved, what was the ratio on a government to Opposition basis? That should be known by the general public.

While I applaud permanent job creation in particular in any form, the makeup of the authority itself at least allows the possibility of pork barrelling, perhaps of the worst kind. I think it is pretty well a generally known fact that the friends of government are those who get appointed to boards, and consequently the friends of government are more likely to have their projects approved. Those questions should be answered by the minister.

Viewing that and considering that, in conclusion I would like to ask the minister what he is doing, really doing, to ensure fair and equitable disposition of the funds available under the authority.

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

Mr. Speaker, I think the one thing that we should take out of this announcement is how much more effective the Rural Development Authority is at creating jobs on a

dollar for dollar basis than is the Minister of Rural, Agricultural and Northern Development and the Premier when they propose the Sprung Greenhouse project. Here we have \$1.8 million for 105 permanent jobs. On the other one we have an exposure of \$11.4 million for a hypothetical 150 jobs. I think one of the important points to make is even if the Sprung project by any stretch of the imagination ever makes it off the ground, and I am convinced it will not, by the way, it is still a serious question of putting \$11.4 million into that project when, on the ratio we have here, Mr. Speaker, it would suggest that approximately seven or eight times as many jobs could be created through our Rural Development Authority in mechanisms that we have in place, that we know about, are small-scale, are rurally oriented and do a heck of a lot better job for job creation.

I think these figures show how foolish this other project is that these individuals are proposing, and, Mr. Speaker, I think it shows the direction we should move in.

MR. SPEAKER:
Order, please!

Oral Questions

MR. FUREY:
Mr. Speaker.

MR. SPEAKER:
The hon. the member for St. Barbe.

SOME HON. MEMBERS:
Hear, hear!

MR. FUREY:
Mr. Speaker, I have a question for

the Minister of Mines (Mr. Dinn). One hundred and sixty-five miners and their families from Daniel's Harbour have had their lives put on hold now for fourteen months. The government refused the \$2 million loan nearly ten months ago and now they are saying yes to the \$2 million loan if the company will commit itself to remaining open for fifteen months.

Now my question for the minister is: Why did the government wait ten full months to say yes to a loan under these conditions? Why was that offer not made ten months ago?

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

MR. DINN:
Mr. Speaker, the hon. member, number one, is misleading the House. Whether he is doing it intentionally or not, I do not know. But the fact of the matter is I gave a fairly extensive explanation yesterday afternoon with respect to the Daniel's Harbour operation and what transpired from the closure of that mine all the way through to yesterday. Now, nothing has changed much from yesterday to today. I answered the question yesterday fairly extensively, Mr. Speaker. The same answer applies today.

MR. FUREY:
A supplementary, Mr. Speaker.

MR. SPEAKER:
A supplementary, the hon. the member for St. Barbe.

MR. FUREY:
Mr. Speaker, the minister also said that he could not find anybody from Teck Corporation to

talk with him. Now, the delegation that is here from Daniel's Harbour tracked down management this morning, Mr. Speaker, Mr. Litkewick in Vancouver, and the management said that they are prepared to meet with the minister any time, anywhere, to discuss this counter-proposal.

Now, will the minister do what is morally right and just and stand in his place today and set a time and date to meet the Teck Corporation to get these people and their families back to work?

SOME HON. MEMBERS:
Hear, hear!

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

MR. DINN:
Well, Mr. Speaker, I am delighted the hon. member at least drew back from his previous unfounded statement. The fact of the matter is I was talking to Mr. Litkewick myself today and, as a result of those discussions, we indicated that we are both willing to set a time and place for a meeting, that I would get back to him before this afternoon was out, or certainly by tomorrow morning, because there is more than me involved in the negotiations and, as a matter of fact, I would hope that more than he would be involved in the negotiations. We are attempting to get someone else from Teck Corporation as well. If that can be arranged, then a meeting will be set up and we will meet wherever we set the meeting for. I believe it is going to be in Toronto, but that is not set as yet.

MR. FUREY:

This week?

MR. DINN:
It is not set as yet because we want to get the principals involved from both sides, the people whom I need involved from his side and from our side.

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

MR. SPEAKER:
A final supplementary, the hon. the member for St. Barbe.

MR. FUREY:
Can the minister tell us will that be this week, when he is talking with the company this afternoon? Because we have been waiting fourteen months and a lot of people's lives have been on hold.

MR. BARRETT:
We will do what we did for Corner Brook.

MR. FUREY:
The Minister of Development (Mr. Barrett) behind shouting from his seat is just as bad as the Minister of Mines because his department is responsible for looking at the \$2 million, too. You can laugh, but people are hurting up there.

I ask would the minister give a commitment to have that time and date set this week and stop the fooling around?

SOME HON. MEMBERS:
Hear, hear!

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

MR. DINN:
Mr. Speaker, as I indicated to the hon. member, I hope to get the

meeting set up with Teck Corporation as soon as possible.

MR. DECKER:
Mr. Speaker.

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

MR. DECKER:
Mr. Speaker, my question was meant to be for the hon. the Minister of Health (Dr. Twomey), but in his absence I will direct it to the hon. Acting Premier, the hon. Government House Leader (Mr. Ottenheimer), if we can catch his attention, Mr. Speaker. It is concerning the nursing shortage, to give him a clue. For the past three or four years, because of the freeze on hospital budgets, there was a freeze on the hiring of nurses in this Province. And consequently, nurses were forced to work on a casual basis, still working forty hours a week, mind you, but without the benefits and the security of a full-time employment. Will the minister stand up today, man-fashion, and admit to the people of Newfoundland that government policy, and nothing else, is responsible for the nursing shortage in the Province today?

MR. OTTENHEIMER:
Mr. Speaker.

MR. SPEAKER:
The hon. the Government House Leader.

MR. OTTENHEIMER:
Mr. Speaker, I prefer to stand up person-fashion, because man-fashion does have something, I suppose, of a sexist connotation; to do something manfully sort of means to do it bravely or properly or courageously. So it does have

something of that connotation, and I would say five or ten years ago none of us would be conscious of that. It is surprising how conscious we have become of it, and probably a very good thing. So 'person-fashion' is my understanding.

But I think the hon. Minister of Health answered that identical question yesterday, and certainly the hon. the Minister of Health's answer was quite clear and precise, as the hon. the minister of Health always is, rivaling only myself in the achievement of the virtue of precision and conciseness. So I would refer the hon. gentleman to the hon. the Minister of Health's precise answer of yesterday.

MR. DECKER:
A supplementary, Mr. Speaker.

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

MR. DECKER:
The hon. minister gives a good answer: The sad thing is he did not answer my question. So I will direct the question again. Will the minister not admit, person-fashion, that it is government policy and nothing else which is causing the nursing shortage here today?

MR. OTTENHEIMER:
Mr. Speaker.

MR. SPEAKER:
The hon. the Government House Leader.

MR. OTTENHEIMER:
No, Mr. Speaker. Person-fashion I will not admit it.

MR. W. CARTER:
Mr. Speaker.

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

MR. W. CARTER:
Mr. Speaker, my question would normally go to the Minister of Fisheries (Mr. Rideout) or the Premier, but in their absence I would like to direct it to the Acting Premier. It concerns the very serious problems that are being experienced today in the caplin fishery, the fact that the industry itself is in danger of collapsing. What has the minister's government, Mr. Speaker, done towards alleviating that problem?

MR. SPEAKER:
The hon. the Government House Leader.

MR. OTTENHEIMER:
Mr. Speaker, as hon. members are aware, the essence of the problem, as I understand it, is so far it has not been possible to arrive at a price to purchase caplin from the fishermen, and that local buyers are negotiating with the Japanese buyers for a suitable price and that those negotiations are ongoing. I think really all I can say is that the Department of Fisheries is doing what it can to help resolve that impasse. I do not think I can say any more than that.

MR. W. CARTER:
Mr. Speaker.

MR. SPEAKER:
A supplementary, the hon. the member for Twillingate.

MR. W. CARTER:
Mr. Speaker, we all know there is

a problem but the question I put to the minister was: What are they doing to help alleviate the problem? For example, I ask the minister if his government has made representation to the federal government with respect to having the matter referred to the federal Fishery Prices Support Board, which is set up for that sort of situation? Has he talked to the Minister of International Trade (Ms. Carney) for example, Mr. Speaker, with regard to having those people make representation to Japan, one of Canada's big trading partners? This is a very serious problem and I do not think it is enough for the minister to say that they are doing what they can. Obviously, Mr. Speaker, they are not doing enough.

MR. SPEAKER:
The hon. the Government House Leader.

MR. OTTENHEIMER:
Mr. Speaker, all I can answer is that the Newfoundland Minister of Fisheries is today meeting with, among other people, the federal Minister of Fisheries, Mr. Siddon, and no doubt, although I have not seen, nor should I see, the agenda of what they intend to discuss, I am quite sure that this matter will be referred to and will be discussed, and that the provincial Minister of Fisheries will be making, and no doubt has already made, representations to the federal Minister of Fisheries. But since their meeting now I could not say what precisely has transpired between them. I know that the provincial Minister of Fisheries is doing everything possible, through representation with the federal government and in other ways, to endeavor to solve this impasse.

MR. W. CARTER:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary.

MR. W. CARTER:

Would the minister then undertake to have his colleague, the Minister of Fisheries, table tomorrow, Mr. Speaker, copies of correspondence maybe made to the federal Minister of Fisheries concerning the possibility of having the matter now referred to the federal Prices Support Board?

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Well, Mr. Speaker, I am sure that the Minister of Fisheries in the House, will be pleased to give all relevant information. I cannot undertake that he is going to table this letter or that letter, and not always are representations made by letter. As a matter of fact, if one is in a hurry and something is pressing, it is probably much better to make it orally, so obviously we cannot table the oral representations. Certainly, I am sure the Minister of Fisheries will give a full report on this matter and on the action he has taken.

MR. EFFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Port de Grave.

MR. EFFORD:

My question is to the Acting Premier also and it is concerning the question posed by my colleague from Twillingate. Is the minister not aware that this same precedent

took place in 1985, the same problems in the caplin industry? If he and all the ministers in this government are aware of that, why is it that it takes until the middle of June, when the caplin season is in process, the caplin ready to be harvested, for the Provincial Minister of Fisheries to only now be sitting down to the table trying to iron out the problem?

MR. MORGAN:

Ask the union!

MR. SPEAKER:

The hon. the Government House Leader.

MR. LONG:

Are you trying to blame it on the union?

MR. OTTENHEIMER:

Mr. Speaker, nobody said -

MR. PEACH:

The fishermen want to go fishing.

MR. MORGAN:

That is right.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

The hon. the Government House Leader.

MR. OTTENHEIMER:

Thank you, Mr. Speaker.

I certainly did not say that only now is the Provincial Minister of Fisheries involved in this, because he has been involved in it for quite some time. And the hon. gentleman, really, I am sure, is aware that this is not something where a Provincial Minister of

Fisheries can wave a magic wand and solve a problem. The buyers in Japan are not under his jurisdiction. Buyers here are not under his jurisdiction. He cannot instruct unions or fishery associations because they are not immediately answerable to him. And I think hon. members in this House, on the other side as well, are well aware of the energetic and thorough manner in which the Minister of Fisheries performs his public duties. And I think we can all rest well assured that he has done and will continue to do everything within his power.

MR. EFFORD:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Port de Grave.

MR. EFFORD:

Mr. Speaker, it is very obvious that the Minister of Fisheries does not have a magic wand because if he did it would not have taken him two years to wave that magic wand.

SOME HON. MEMBERS:

Hear, hear!

MR. EFFORD:

Two years ago this problem started and every problem that was there in 1985 is here today in 1987. And when I brought it into the House of Assembly two or three weeks ago, the Minister of Fisheries stood up and laughed at me and said I was jumping to conclusions. Now the problem is here. Now the \$60 million that was in the economy of the Province last year is not going to be in the economy of this Province this year, and not only the fishermen but everybody is going to suffer.

My question: Why did they not in 1985, recognizing the problem, have the ability to go to their great buddies in Ottawa, work with the Federal Department of Fisheries, work with External Affairs, and try to negotiate some sort of a set market, as is done in Iceland, as is done in Norway, as is done in Denmark? At least if we read we would learn, so why has that not been done?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, the basic premise of the hon. gentleman's question is his criticism of the Minister of Fisheries because he does not have a magic wand and because he has not been able to solve all of these problems. The hon. gentleman may think, we all may wish it could happen, that by effort and negotiation -

SOME HON. MEMBERS:

Efford?

MR. OTTENHEIMER:

No, effort, e-f-f-o-r-t. I was not making any reference to the hon. gentleman's name. - and representation all problems could be resolved, then we would live in a very ideal world. I can assure the hon. gentleman that the Minister of Fisheries has in the past done everything within his power and is continuing to so do.

MR. EFFORD:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary.

MR. EFFORD:

It is quite obvious what the minister has just said: He said that the Minister of Fisheries over a two year period has not the capability of doing his job and performing his duty as a minister to protect the fishermen. I ask the Acting Premier, very clearly, will he not table all the information that the Provincial Minister of Fisheries has made in representation to Ottawa to try to straighten out this mess that occurred in 1985, not just the fact that he has negotiated over the past two weeks, but what he has done over the past two years? If he had done his work this problem would not be here today.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, to listen to the hon. gentleman you would think you would solve these problems by tabling everything. If we could solve this problem by tabling, my Heavens, we could table tons of documents here and then the problem would be solved. The hon. the Minister of Fisheries will table what he wishes to table. There may be some confidential correspondence that he cannot table. It is up to him. I have not gone through his correspondence files to see what is tabled or not tabled. I am sure he will table whatever he thinks is appropriate to table. But if the hon. gentleman thinks that the more wheelbarrows of material that come in here to be tabled is going to solve the caplin problem or any other problem then he is barking up the

wrong tree.

MR. K. AYLWARD:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Naskaupi.

MR. KELLAND:

As an aside to the Government House Leader, I can say if this House had a lot more Efford, spelled with a 'd', the Province would be a lot better off.

SOME HON. MEMBERS:

Hear, hear!

MR. KELLAND:

My question is directed to the Minister of Public Works and Services (Mr. Young), and we have spoken about this subject outside the House. I would now like to ask the minister in the House what are his specific reasons for not giving twelve hour shift systems to a number of public employees who have been looking for that particular system for quite some time now?

MR. YOUNG:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Public Works and Services.

MR. YOUNG:

Mr. Speaker, we have had some twelve hour shift systems in place, I think it is only in one building now, and it has not worked out to be satisfactory for everyone concerned and we have decided to eliminate it and go back to the eight hour shift.

MR. KELLAND:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Naskaupi.

MR. KELLAND:

That is not what I asked the minister, although I appreciate the extra information. I would like to ask him again what are his specific reasons for not instituting twelve-hour shifts, or, conversely, his specific reasons for trying to cut them out?

MR. SPEAKER:

The hon. the Minister of Public Works and Services.

MR. YOUNG:

Mr. Speaker, we never cut them out. We just decided, the decision was made that it is more practical to go to eight hour shifts than twelve hour shifts.

MR. KELLAND:

Mr. Speaker.

MR. SPEAKER:

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

MR. KELLAND:

Thank you, Mr. Speaker.

Obviously the minister is not going to answer my specific question. So let me ask this: Is the minister aware that many of the employees affected by not getting the twelve hour shift they believe that it was not for any such reason as financial constraints or alleged abuses of a system that they are being denied, but they believe, many of them do, that they are being singled out and punished by the minister and by the government for their actions in a labour dispute last year in this Province?

MR. SPEAKER:

The hon. the Minister of Public

Works and Services.

MR. YOUNG:

Mr. Speaker, I do not know what employees believe, but I can assure the employees that I had nothing to do with it. I presume, Mr. Speaker, if these negotiations are done they are done by the union and by the people who negotiate at the bargaining table, and that is all I can say, Mr. Speaker. I assure him that he can tell the employees that, and they do not believe that I had anything to do with cutting it out. It was all done by agreement.

MR. CALLAN:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bellevue.

MR. CALLAN:

I have a question for the Minister of Transportation (Mr. Dawe).

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Order, please!

MR. CALLAN:

Mr. Speaker, the minister is aware, and has been for a couple of years, I think, that the independent truckers in this Province, and there are about 160, I think, are having some difficulties, and we saw an instance of that last year, Mr. Speaker, out on the Cape Shore.

Let me ask the minister, since he is aware, and since there is nothing on the Order Paper to indicate that the minister plans to bring in amendments to the Motor Carriers Act, quite simply, when is the minister prepared to meet with a representative group

of these 160 independent truckers so that they will have an opportunity to air their grievances and possibly suggest to the minister some proposed amendments to the Motor Carriers Act which will get rid of the frustrations that they are presently experiencing, which, Mr. Speaker, is presently driving some of these independent truckers out of business? When is the minister prepared to meet with a representative group?

MR. SPEAKER:

The hon. the Minister of Transportation.

MR. DAWE:

Mr. Speaker, over the past number of years - not two years but I guess over the past five or six years - I have met on a number of occasions with a representative group of independent truckers here in St. John's and on the West Coast. As a matter of fact, Mr. Speaker, only, I guess, two years ago there was a group came to my home in Codroy Valley and spent the afternoon. We discussed many issues with regard to the independent truckers problems in dealing with some of the companies. I have had that ongoing dialogue.

So I guess the answer to the question asked, when I will meet with them, is whenever they so request, as I have done with other groups, individually or collectively. I am ready and willing to meet with them at any time.

MR. CALLAN:

That is all I wanted to know.

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, I have a question for the Minister of Finance (Dr. Collins). I wonder if the minister can explain how it was that arrears in the Retail Sales Tax have been reduced from an amount of \$16 million, at the end of March, 1985, to approximately \$11 million up to the end of March, 1986? That is a reduction of approximately \$5 million in that one year period, from the end of March, 1985, to the end of March, 1986. Was it achieved through write-offs, or through collections as it ought to have been?

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, we are working the whole time to reduce arrears of Retail Sales Tax. There always have been, ever since the Retail Sales Tax Act came in, and there always will be, I suggest, a certain amount of arrears by the very nature of the beast. But we are working all the time to reduce it. If the hon. member wants to know why it was reduced, I guess it was mainly through the efforts of the public servants who work in the Department of Finance.

MR. OTTENHEIMER:

And the minister.

DR. COLLINS:

The minister had a lot to do with it. Thank you, I forgot about the minister, but he had a lot to do with it, too.

We do some write-offs, but the percentage of write-offs is very, very minor. We only write off after a very prolonged and persistent procedure is gone through and it is only a last ditch effort. Usually it happens when a company has gone out of action, has gone bankrupt, or perhaps someone had a vendor's license and an outlet and no longer have them and have no other means of income, that type of thing. So write-offs would be a very small part of that reduction.

MR. LUSH:

A supplementary, Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, I want to ask the minister why is it that the provincial government, which, in a desperate effort to generate revenues have taxed the people of this Province in every conceivable way, yet have allowed the arrears in Retail Sales Tax to build up in such an exorbitant manner? Why is it that the Province have allowed this situation to happen and have not forced the firms and business companies to forward this money to the government, monies which they have collected from the consumers of this Province, monies which they have collected from the poor people of this Province?

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, the hon. member seems to be of two minds. He said we are reducing the arrears too quickly, that was the burden of his first message, and now he says we are not reducing them quickly

enough.

He is wrong in one statement. We do not tax in every conceivable way. I only heard the other day that, in New Zealand, the government there now taxes municipalities. They say municipalities give services, we tax services, so now we are going to tax municipalities. That is a rather innovative approach to taxation which we do not do, I must hasten to add.

To answer the hon. member's question, the arrears that are on the books now have built up over about the last fifteen years. During that time we collected about \$3 billion in Retail Sales Tax. So arrears of \$11 million, roughly, in comparison to \$3 billion, is a very small percentage. Much of that \$11 million is fairly current arrears, and when we bring in our collection procedures we will get in an awful lot of that. So I think the arrears is a very small problem at the present time.

MR. LUSH:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. LUSH:

I want to remind the minister that the arrears we are talking about are up to 1986, not 1987, Mr. Speaker. I want to ask the minister would he table the list of the amount owing and by what firms and companies which have broken the law in not submitting the taxes that they collected from the consumer, the poor people of this Province, Mr. Speaker?

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, there is a clause or a provision in The Retail Sales Tax Act which precludes me from naming individuals having tax arrears. I am not permitted to do that, it is against the law. Now if these firms are brought to court, and I presume a court judgment made, well that is on the public record. But until such time as they are brought to court I do not have the authority to table any names.

I will be glad to get a breakdown of the arrears in terms of how long they are outstanding and that sort of thing, you know, whether it is \$5 million outstanding just for a month or whatever it is. I will get that breakdown, but I do not have the authority to table names.

MR. LONG:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for St. John's East.

MR. LONG:

Mr. Speaker, I have a question for the Minister of Municipal Affairs (Mr. Doyle), and it is not unrelated to the fact that the end of this week the City of St. John's will be celebrating St. John's Day. The question specifically is to follow up comments made by the Environment Minister (Mr. Butt) in response to a question about the pollution problem in the harbour. I would like to ask the Minister of Municipal Affairs if in his negotiations with the federal government for an expanded municipal infrastructure programme whether, in fact, he is envisaging

a clean-up programme for the pollution problem in the St. John's Harbour as part of that project?

MR. DOYLE:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Municipal Affairs.

MR. DOYLE:

Well, Mr. Speaker, I assume that the hon. gentleman is talking about the sewage that is flowing into St. John's Harbour. Yes, Mr. Speaker, that is of concern to us, and in all of the discussions that we have had with the various Municipal Affairs Ministers from right across Canada we have identified that one area of concern as being an area of priority that we should be approaching the federal government on. And we have approached the federal government on these and similar issues on a number of different occasions over the last year. As yet we do not have any commitment from the federal government that they will get involved in reinstating some of the old programmes that they had in which they got involved in funding municipal infrastructure. I should not say that the federal government is not involved at all, they are involved still to a certain extent in that they do fund specific projects, namely, the Port aux Basques system out there, the water system in Port aux Basques, because the federal government is heavily involved with that one.

But we are certainly hoping, Mr. Speaker, that we can convince the federal government to once again come back in on these projects. Hopefully at our Ministers'

meeting, which will take place in Ontario in August, in which we will be meeting with the federal minister responsible, we can convince the federal government to come back in again and reinstate these programmes that they were involved in prior to the 1970s.

MR. LONG:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for St. John's East.

MR. LONG:

Thank you, Mr. Speaker.

In the absence of a clear commitment from the federal government on the infrastructure programme, which is to say nothing about the problem of a specific project for the clean-up of the harbour, I would like to ask the minister if he is considering, as the city of Halifax and the provincial government of Nova Scotia are considering, applying to the newly launched Atlantic Opportunities Programme to deal with the problem of pollution as a development and tourism issue, and to present a project application to the Atlantic Opportunities Programme for monies for clean-up.

MR. SPEAKER:

The hon. the Minister of Municipal Affairs.

MR. DOYLE:

Mr. Speaker, I am certainly not aware as to whether or not municipalities can apply under that programme. Obviously if that programme is geared in such a way that it will fund these types of projects, then obviously municipalities everywhere in this Province will take advantage of it, and we certainly will, as a

department, take advantage of it as well. We certainly do not know what that fund is going to be spent on at this point in time, and we will just have to wait and see on that, Mr. Speaker.

MR. TULK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Fogo.

MR. TULK:

Mr. Speaker, I have a question for the Minister of Rural, Agricultural and Northern Development (Mr. Aylward) and it concerns, again, the Sprung project in Mount Pearl. The minister will know that there have been experts in the last little while who have said that a greenhouse should cost approximately \$500,000 per acre for development, whereas we know that the greenhouse at Mount Pearl will cost about \$18 million, which is about four times what the capital cost for construction of such a project if it is to be viable. I ask the minister, specifically, does he have an independent study - and I emphasize that - of the cost of development to prove that these two experts whom we are hearing from now are wrong, and that the project at Mount Pearl is indeed feasible in terms of its capital construction?

MR. SPEAKER:

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

MR. R. AYLWARD:

Mr. Speaker, I am not sure of the experts the hon. member is talking about. If they are Sunday Express experts, Mr. Speaker, I hope they do a better job than

they did on the Marystown Shipyard with their expertise.

SOME HON. MEMBERS:
Hear, hear!

MR. R. AYLWARD:
Mr. Speaker, the Sprung system is not a greenhouse system, it is a controlled environment system, and its production levels are higher than those of the greenhouses in existence now which can be substantiated by reports from experts, Mr. Speaker, including a list of names that the Premier gave out in this House some time ago.

MR. TULK:
Mr. Speaker.

MR. SPEAKER:
A supplementary, the hon. the member for Fogo.

MR. TULK:
Mr. Speaker, let it be known that the minister has not answered the question as to whether he has an independent study, which leads me to believe that he does not have one. And let me also say to him that the two experts are not **Sunday Express**, they are the experts that the Premier asked us to contact last week, namely, people in Alberta and people from the National Research Council. Now, Mr. Speaker, let me ask him another question about the viability of the project in terms of its yield. There are reports, again by those experts, that Mr. Sprung's claims are exaggerated. Let me ask does he have independent studies, again, to show that Mr. Sprung's claims about the yield of his projects are viable, that they are indeed real, are we seeing an exaggeration again, or is the minister carrying on, like the Premier, a colossal

bluff?

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
The hon. the Minister of Rural, Agricultural and Northern Development.

MR. R. AYLWARD:
Mr. Speaker, in seven months in negotiations there were many reports. The reports substantiated the production levels, Mr. Speaker, and the reports gave good indications of the market requirements for the Atlantic area, and we have both types of reports in our possession.

MR. TULK:
A final supplementary.

MR. SPEAKER:
Order, please!

The time for Oral Questions has elapsed.

MR. SPEAKER:
At this stage I would like to welcome to the galleries Mr. William Anderson III, President of the Labrador Inuit Association.

SOME HON. MEMBERS:
Hear, hear!

Notices of Motion

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

MR. J. CARTER:
Mr. Speaker, I beg leave to present the following resolution:

WHEREAS the members from Menihek (Mr. Fenwick) and St. John's East

(Mr. Long) have attempted to mislead this House of Assembly regarding the Government's stand on its employees' pension plan by suggesting that Government Pensions will decrease rather than increase and that there is no truth in their assertions whatsoever; and

WHEREAS their distortions have upset the public in general and Provincial Government pensioners in particular; and

WHEREAS the members for Menihek and St. John's East have been carefully informed by the Minister of Finance in detail about the nature, purpose, and mechanics of such changes leading to an increase in pensions; and

WHEREAS the members for Menihek and St. John's East continue in their perverse obstinacy as if to perpetuate these misconceptions;

THEREFORE BE IT RESOLVED that the members for Menihek and St. John's East be censured by this House of Assembly and that they be removed from this Chamber for the remainder of this sitting with consequent loss of pay.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
Are there any further Notices of Motion?

SOME HON. MEMBERS:
Question. Question.

MR. OTTENHEIMER:
Answers to Questions.

AN HON. MEMBER:
By leave. By leave.

MR. FENWICK:

A point of order, Mr. Speaker.

MR. SPEAKER:
A point of order, the hon. the member for Menihek.

MR. FENWICK:
There has been an indication from the various house leaders over there that they wish leave to go ahead with that resolution today. We would be perfectly happy to debate that resolution all day if they so wish. So, they have leave from our side. If the Liberal Opposition also gives leave, then we can go ahead and debate it right away.

MR. OTTENHEIMER:
There is no leave from either side.

MR. FENWICK:
Where was this request for leave?

MR. SPEAKER:
Order, please!

There is no point of order.

Orders of the Day

On motion, the following bills read a third time, ordered passed and their titles be as on the Order Paper:

A bill, "An Act To Amend The Newfoundland Veterinary Medical Act, 1971." (Bill No. 10)

A bill, "An Act Respecting The Encouragement And Regulation Of An Aquaculture Industry In The Province." (Bill No. 11)

A bill, "An Act To Amend The Occupational Health And Safety Act." (Bill No. 18)

A bill, "An Act To Amend The

Emergency Measures Act." (Bill No. 19)

A bill, "An Act To Amend The Municipalities Act." (Bill No. 9)

A bill, "An Act Respecting An Increase In Pensions." (Bill No. 28)

A bill, "An Act To Ratify, Confirm And Adopt An Agreement Between The Government Of Canada And The Government Of The Province Respecting The Reciprocal Taxation Of These Governments And Their Agencies." (Bill No. 32)

MR. SPEAKER:

A bill, "An Act To Amend The Government - Kruger Agreements Act." (Bill No. 25) Is it the pleasure of the House that the said bill be now read a third time?

MR. FENWICK:

Mr. Speaker, I would like to speak in third reading to this legislation.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

The only comment I would like to make is that it just came to my attention today, through releases from Newfoundland Information Services, that the Minister of Forest Resources and Lands (Mr. Simms) and the Minister of Labour (Mr. Blanchard) both put out press releases last Friday through that service condemning the official Opposition and ourselves, and alleging that we were opposed to the expansion of the mill in Corner Brook. I consider this to be a slander upon the reputation of both the members of the official Opposition and on ourselves, and a total distortion of the situation as it currently

exists. I would suggest, Mr. Speaker, that probably some sort of motion of privilege would have been more appropriate and, if others wish to bring it up, I would certainly support any attempt to do it. It was quite clearly made known by ourselves and the official Opposition that we had no objections whatsoever to approving the extra \$30 million that would be empowered by this particular piece of legislation, we just refused to abdicate our responsibility and give a blank cheque to the Cabinet in order to make all kinds of amendments to this particular agreement.

MR. OTTENHEIMER:

A point of order, Mr. Speaker.

MR. SPEAKER:

To that point of order.

MR. OTTENHEIMER:

The hon. gentleman is not on a point of order that I am aware of.

MR. FENWICK:

No, I am not. I am speaking in third reading.

MR. OTTENHEIMER:

I am up on a point of order, Mr. Speaker.

MR. SPEAKER:

I understood the hon. the member got up on a point of order.

MR. OTTENHEIMER:

No. No.

MR. SPEAKER:

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

MR. OTTENHEIMER:

I submit that the hon. gentleman is out of order in that he is debating the principle of the Bill, and that has been passed,

and that it is out of order.

MR. SIMMS:

You do not debate third reading.

MR. FENWICK:

To that point of order.

MR. SPEAKER:

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

MR. FENWICK:

It is allowable to speak to third reading of a particular piece of legislation.

AN HON. MEMBER:

No, it is not allowed.

MR. FENWICK:

Yes, it is.

MR. OTTENHEIMER:

You speak in order. In order. You have to be in order.

MR. FENWICK:

I am talking about the circumstances surrounding it. I am trying to clean up a deliberate amount of deception occurring on the part of those two ministers, so I think it is important that we do make sure that these comments are entered into the record at this time. Because a slander was committed upon the members of the official Opposition and ourselves, it is important that that be cleared up in the record so that there be no misunderstanding whatsoever about the intentions of our particular parties at that time. So, I suggest it is quite relevant to third reading of that Bill.

MR. SIMMS:

To that point of order.

MR. SPEAKER:

To the point of order, the hon.

the Minister of Forest Resources and Lands.

MR. SIMMS:

Mr. Speaker, since the accusation has been made towards myself and my colleague, the Minister of Labour (Mr. Blanchard), I just want to say one thing: We have seen on numerous occasions, particularly from that member, the holier than thou attitude that he uses in everything that he does and says. Most recently, what about the attack he made on the Minister of Finance, saying he was robbing the people of the Province? What is that if it is not misleading?

MR. FENWICK:

He was. He was. He was robbing the pensioners.

MR. LONG:

Speak to the point of order.

MR. SIMMS:

What is that if it is not misleading? Well, methinks the hon. member doth protest much too much as usual, Mr. Speaker, and I certainly will not retract or withdraw anything I said about the hon. member for Menihek.

MR. TULK:

To that point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. TULK:

Mr. Speaker, I would have to agree with the Government House Leader that the gentleman is speaking out of order. And further to the point of order, Mr. Speaker, let me say to the gentleman for Menihek that we agree that what the government tried to do in

Corner Brook through various mouths that they have on the other side was somewhat misleading, but we are not particularly worried, because we believe, on this side, that the truth will out, as it did when the Leader of the Liberal Party of Newfoundland and Labrador (Mr. Wells) spoke to a certain group of people on the West Coast on Saturday.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
To that point of order I must rule that the point is well taken and the hon. member is out of order.

MR. FENWICK:
Mr. Speaker, I want to ask for clarification here. I was speaking to third reading of that Bill. What am I allowed to say on third reading, nothing? Is this what you are saying?

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

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

MR. OTTENHEIMER:
The hon. gentleman is totally out of order in asking for a clarification. The point of order was quite clear. The point of order submitted was that the hon. Socialist gentleman for Menihek was out of order because he was speaking on the principle of the Bill and he may not do that. And he is out of order in asking the Chair for a clarification, because it was very clear that the Chair ruled that the point was a valid one and it is quite clear what that means. It is not for the Chair to have to coach the hon. gentleman and to give him a

tutorial, he would have to get that elsewhere, I would suggest.

MR. SPEAKER:
I have already made a ruling on that matter. At the present time we are in third reading of Order No. 10. All those in favour of third reading 'Aye'.

SOME HON. MEMBERS:
Aye.

MR. SPEAKER:
Those against 'nay'.

MR. FENWICK:
Mr. Speaker.

MR. SPEAKER:
Carried.

MR. FENWICK:
Is this a new rule for us?

I am attempting to speak to third reading of a piece of legislation.

AN HON. MEMBER:
You are not allowed.

MR. FENWICK:
Yes, you are.

MR. LONG:
You are allowed to speak to the principle. You are so!

MR. FENWICK:
Yes, you are.

AN HON. MEMBER:
Since when?

SOME HON. MEMBERS:
Oh, oh!

MR. OTTENHEIMER:
On a point of order, Mr. Speaker. As I understand it, where we are now, the hon. gentleman perhaps -

MR. FENWICK:

The Speaker did not recognize you yet.

SOME HON. MEMBERS:
Oh, oh!

MR. SIMMS:
He stood on a point of order.

MR. OTTENHEIMER:
On a point of order.

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

MR. OTTENHEIMER:
Mr. Speaker, where we are: Third reading was called. The hon. gentleman from Menihek got up to make a speech. A point of order was made that the hon. gentleman was debating the principle of the bill and that was out of order because that was passed in second reading. The Chair ruled that that was correct. The hon. gentleman then got up and spoke again, asking for a clarification, what it meant, and what could he say on third reading. A point of order was made that that was improper and out of order to ask the Chair that, and the Chair ruled that that was out of order. The hon. gentleman spoke on two occasions out of order and, I understand, then the Chair put the question. I am not sure where we are now. The Chair put the question. It is passed.

MR. SPEAKER:
Order, please!

The question has been put on third reading of Order No. 10, "An Act To Amend The Government-Kruger Agreements Act".

MR. FENWICK:
Mr. Speaker.

MR. SPEAKER:
I will recognize the hon. member after this. We are in the middle of a vote at the present time.

MR. FENWICK:
Mr. Speaker, I would like to rise on a point of privilege, please.

SOME HON. MEMBERS:
No, you cannot.

MR. SIMMS:
You cannot do that.

MR. SPEAKER:
Order, please!

I would ask the hon. member to please take his seat while we are voting on this procedure.

All those in favour 'aye'.

SOME HON. MEMBERS:
Aye.

MR. SPEAKER:
All those against 'nay'.

On motion, a bill, "An Act To Amend The Government-Kruger Agreements Act", read a third time, ordered passed and its title be as on the Order Paper. (Bill No. 25).

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

MR. SPEAKER:
A point of privilege, the hon. the member for Menihek.

MR. FENWICK:
Mr. Speaker, it is within order to speak on third reading on a piece of legislation. That is what I was attempting to do. I was standing up repeatedly asking for permission to speak and you continued to ram through the vote on that particular piece of

legislation. You have abused badly my privileges by not allowing me to speak to the actual piece of legislation itself and I think on those grounds that my privileges were breached. I will ask you to go back and check the tapes on it. You will find that I was repeatedly asking for the right to be recognized at that time, and you just refused to recognize me to speak to third reading of that bill. It was not a point of order, it was nothing else, just to speak to third reading on it.

MR. OTTENHEIMER:

Mr. Speaker, to that point of privilege.

MR. SPEAKER:

To that point of privilege, the hon. the Government House Leader.

MR. OTTENHEIMER:

I submit that there is no point of privilege made whatsoever. The bill was called. On one occasion the hon. gentleman got up to speak. The Chair ruled he was out of order. He got up again, and he was out of order. Really what he was looking for, presumably, was for the Chair, or somebody to advise him how he could speak on third reading and be in order. But I am not going to do that, nor, obviously, I would not think the Chair is going to do that. It is up to the hon. gentleman to find out what the rules are and how to speak in order on third reading. It is not for the Chair to have to tell him. So, having twice gotten up and on neither occasion knowing how to speak in order, in a parliamentary manner on third reading, Mr. Speaker put the question, and I think the matter is now resolved. The hon. gentleman will have to learn how to speak in order on third reading.

MR. TULK:

To that point of privilege, Mr. Speaker.

MR. SPEAKER:

To that point of privilege, the hon. the member for Fogo.

MR. TULK:

Mr. Speaker, I have no intention of questioning what went on in this House a few minutes ago, particularly insofar as Your Honour is concerned, but I do believe that the member for Menihek has a right to speak on third reading, and I do believe, with all due respect to the hon. gentleman opposite, that he did rise in his place at the appropriate moment to speak. I would refer Your Honour to section 802, subsection 3 of Beauchesne: "Debate on the third reading of a bill begins after the Order of the Day is called and the Member in charge of the bill moves: 'That the Bill be now read a third time and do pass.'" I would suggest to Your Honour that that is, I believe - I could be wrong - when the member for Menihek rose in his place to start debating this bill.

As I understand it, debate on that bill is of the same nature as Committee of the Whole or second reading.

MR. SIMMS:

No. No.

MR. TULK:

Your Honour, I would suggest to you that the member for Menihek has a right to debate the bill. Perhaps Your Honour might like to take a couple of minutes recess to rule on the point of privilege, or perhaps it could more beneficially be called for this House a point of clarification.

MR. SPEAKER:

To the point of privilege raised by the hon. member for Menihek, I would like to review what was said earlier and I hope to be able to have more to say on the matter tomorrow.

MR. OTTENHEIMER:

Order 18.

Motion, second reading of a bill, "An Act Respecting The Establishment And Operation Of The Institute Of Fisheries And Marine Technology, The Fisher Institute Of Applied Arts And Technology And The Cabot Institute Of Applied Arts And Technology. (Bill No. 12).

MR. OTTENHEIMER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, this is a bill with respect to the Institute of Applied Arts And Technology, and we are also pleased to see the minister here who will now be in a position to introduce it.

MR. POWER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Career Development and Advanced Studies.

MR. POWER:

Mr. Speaker, I am indeed pleased, even though I know the Government House Leader would have done equally as well if not better, to introduce this bill which further reorganizes the post-secondary school system in this Province. We, as a government, have taken a lot of time and effort, and take a

certain amount of pride, in now having a very modern up-to-date post-secondary organizational system within the education framework. The College Act that we are discussing as well - I guess on third reading - and this bill here go hand in hand pretty well and are designed to make our post-secondary system in Newfoundland as modern and as efficient as in any other part of Canada which, for some while, it has not been.

We intend to have these institutes, the Institute of Fisheries and Marine Technology, the Fisher Institute in Corner Brook and, of course, the Cabot Institute of Applied Arts and Technology here in St. John's, to be three cornerstones in our post-secondary system. Combine that with a university programme that is one of the better ones in Canada, and, Mr. Speaker, we are convinced that we will have one of the best post-secondary education systems in any province of Canada.

The Institute Act which we are discussing here today was primarily designed to do provincial programmes all across Newfoundland and Labrador. The Fisher Institute in Corner Brook will do pretty well for the West Coast what the Cabot Institute and some of the courses of the Marine Institute do here on the East Coast of the Province. We are quite delighted, Mr. Speaker, to be able to say that in this new organizational structure we have deliberately made some changes to the old act that was there to try and make the boards a little bit more responsive to public demands, to make the courses, I guess, somewhat more modern, and, if anything at all, just to make the life of students in Newfoundland

that much better and to make sure that the time that they spend in a post-secondary institution is well spent.

I am sure we will have a lot of discussion on certain parts of the bill, Mr. Speaker, and with that I will conclude those comments on introducing second reading.

MR. SIMMONS:
Mr. Speaker.

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

MR. SIMMONS:
Mr. Speaker, Bill No. 12, as the minister has said, is, in effect, the sister or the brother of Bill No. 13 in that Bill No. 12 provides the legislative framework, the legislative underpinning for the three institutions formerly the Technical College, I believe it was called, and the Marine Fish College with the very long name, and, of course, the Fisher Institute in Corner Brook.

If I were the minister, I would not get quite so carried away about the bright, new day. This is another bit of legislation that has more form than substance, important form in that it does provide the legislative framework, as I have said, for those three institutions.

Whether or not those institutions and their operation in the Province constitute or hail any bright new day, of course, will depend on what is done within those institutions.

Suffice it to say, at this point in time, all three of them are institutions that are the part of

the legacy of another government, a Liberal Government of days gone by. Insofar as the new campus of the Marine College is concerned, that facility is a legacy of a former Federal Liberal Government. Indeed, you will recall there was much argument two or three years ago about where that college would be actually located, whether here in St. John's or elsewhere in the Province. Good arguments were made on both sides, but that is an issue that has long since been settled.

The Marine Institute, the Fisher Institute and the Cabot Institute are three good examples of the kind of sound educational foundation that the former Liberal administration of this Province provided at the post-secondary level, a legacy that the minister, I am happy to see, is attempting to build on.

I was disappointed in his remarks on introducing the bill on second reading that he did not go into some detail as to what plans the government has in mind to bring the three institutes a bit in line. I do not say that in any restrictive sense, but to bring them in line in terms of objectives that are now being espoused in respect of the new community college system. While these are apart from that system, they have to dovetail if the educational dollar is going to be well spent, if the educational need is going to be at all well served. He might want to address that particular issue on closing the second reading debate.

Mr. Speaker, as we get into the clause by clause at Committee stage we will want to raise a couple of matters that have been

raised in respect of Bill 13, the Community College bill. Once again we have here the ignoring of faculty people, of staff people, insofar as the Board of Governors is concerned and we have that rather curious means of appointing the president. I do not know, in the interest of basic academic freedom, why he does not adopt the model that is already in place insofar as the university is concerned; why he does not lift that particular clause straight out of the university legislation and put it into this bill and Bill 13 so that the Board would have the operative responsibility for doing the candidate search and appointing the chief executive officer or the president, and the government, of course, as it is its responsibility, would have the final authority for, in effect, rubber stamping the appointment. I have some concerns with the method of appointment as presently spelled out in Clause 8, which provides for the appointment of the president, by the Lieutenant-Governor in Council, that is to say, by Cabinet.

Otherwise, Mr. Speaker, we have no difficulty with the principle of the bill, understandably. We give notice that as we go through clause by clause analysis in Committee we will be raising a couple of points, but this is not the appropriate time to raise them right now.

We have pleasure in supporting the principle of the bill because it enacts into law three great institutions, all three of which had their foundation during the period when educational achievement flourished in this Province because it had the active, including the financial support of a caring

administration. That was a long time ago. The institutions remain, but they are now the victims of a less caring administration, and, of course, the results can be seen in the more restrictive breadth of programming which they can offer to students at the post-secondary level who wish to advance their education at the respective institutes.

We have pleasure in supporting the principle of the bill.

MR. FENWICK:
Mr. Speaker.

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

MR. FENWICK:
Thank you very much, Mr. Speaker.

This is, again, a piece of legislation we support in principle. We support it in principle because we feel that the vocational system has, for probably a decade or fifteen year or so, been badly neglected by this administration and the previous one, so much so that many of the courses that it continued to operate were irrelevant and many of the needs for training in this Province were not being met by the vocational system and by the community college and the trades college and the fisheries college, so much so, of course, that we have all seen the mushrooming of private schools which have rushed into the void in order to take up the slack.

I think there is an entire speech there on the failure of this administration and previous ones to respond to the needs of a changing society. There is the delay in introducing modern

equipment into many of the courses, the failure to work out an adequate means of retraining many of the instructors so that they could move into new technologies as the older technologies were phased out and there is a lack of leadership that was probably manifested for the last decade or so.

When the new minister assumed his portfolio several years ago, he essentially had a Herculean task ahead of him in cleaning out the Augean stables that had accumulated. While I do not want to go too far with that particular image, I think that there was a necessity to make sure that the courses were relevant to what was going on, to make sure that we kept up with the needs of today's society.

I am, and I say it unashamedly, very much an opponent of the private vocational school system in this Province. I think the minister's department has done a horrible job in regulating them so that the good schools and the bad schools are all lumped together.

What we have, Mr. Speaker, is a number of vocational schools in this Province, some of which have high, exemplary standards and produce excellent graduates, others of which have no standards whatsoever, as the minister himself has admitted in various interviews, both in the print media and on television. What has happened is individuals who are looking for an education and cannot get it because our vocational system has been left in the dark for so long or left in the past, have to take a form of Russian Roulette in picking which of the vocational schools they go to.

I say it is Russian Roulette in terms of the quality of their education, but it is not roulette whatsoever, it is a certainty they will have to pay through the nose for the privilege of taking these courses. Typically, the private vocational schools charge tuition fees eight to ten times as high as those charged by the vocational schools, the community colleges, and the technical institutes that we are currently setting up under this legislation.

This money means that these students have to live in poverty because their student loans and grants are virtually exhausted just to pay the tuition fee. It is long overdue that we would establish in this Province the kinds of courses that are obviously in demand and are needed.

We obviously look forward to this piece of legislation and for hopefully some sort of implementation of it that will allow these private trade schools to wither away and die, that we will no longer need them, that these are a horrible way in which to educate our young, especially considering that they are putting themselves in hock for the rest of their lives for an education that may be first class, but also may be horribly deficient because the minister's department has not lived up to its obligations in terms of inspecting these institutions and making sure that the standards are up to par.

I have received complaints, as a matter of fact, from one of the better institutions saying that they feel that the minister has slandered them and their school by saying that these schools are not as high a standard as the other ones. I say that as secondhand

information. Maybe the minister would like to address that when he speaks his final words on this because I did not hear his public comments on the private vocational school system. Although, with the number of complaints that we have been receiving from it, I would suggest that he would have said that they leave a lot to be desired.

So having said those preliminary comments on that particular aspect of it, the other comments I have are not nearly as flattering of the minister or of his department. Mr. Speaker, we have talked to individuals within the minister's department who are in the midst of trying to implement the framework that was adopted approximately a year or two ago in order to transform the vocational system. I do not think I exaggerate when I say what we have on our hands is an almost total, unmitigated disaster in terms of implementation.

We have 600 vocational instructors in this Province who will be working in these institutions and who have not a clue what their future will bring, have no idea what kind of job security they have. They are, quite frankly, totally demoralized by the abject confusion and lack of direction coming from the minister's department. There is no direction that anybody can see that makes any sense in terms of what is going on. Committees are being established at a ministerial level, or at a high level in the department, making decisions in a vacuum, completely apart from the instructors who work there, chopping programmes that are vitally needed in order to provide skilled tradesmen in our Province, and, at the same time, are putting

in place sometimes two and three times as many courses in the particular trades as are necessary.

There is such a strong feeling of disorientation and demoralization in the minister's department that it is questionable whether this system can recover from the abuse it has taken over the last year and a half to two years. I am hoping that the natural resiliency of the fine people I know who are in the system will be such that when the minister has all of these changes in place, they will be able to rebuild the system that will do the kinds of education that we need. But up to this point, all we have seen is a total fumbling of the ball from the minister and his official in his department on such a level that I did not believe that it was possible that it could be done.

We have seen, for example, the introduction of these programmes and these institutions and the community colleges way late from the proposal that was initially proposed last Summer. We should have had these institutions up and running, putting in programmes for this September and all we have are advisory committees that are not even set up under the board and have barely met yet, let alone decided on the kind of programmes that are offered there.

We have what I consider as one of the greatest programmes that should have come out of the community colleges, and that was the first year university programmes, mangled by a crass political attempt on the part of individuals so that we had not one, but two programmes in Central Newfoundland, when one was clearly needed, clearly should have been

established there, but the second one must have taken a lower priority to at least a half a dozen other spots in the Province that should have had it first.

These are examples of a maladministration that I find absolutely frightening. I have talked to a number of the instructors, both at the Cabot Institute and at the other institutes across the Province. There is a total feeling of demoralization in the entire system, a feeling that they are cast adrift with a department that has no concept of where to go in terms of this change over. They are frightened for their futures and their jobs and they clearly perceive that this department needs a thorough housecleaning and a better sense of direction if it is going to go anywhere.

So, Mr. Speaker, even though we agree that this whole system has to be revised and updated, we would suggest to the minister that if he is going to do it without total demoralization among the staff of all the community colleges and the provincial institutes, they are going to have to start listening to the people who know the system the best, and they are the instructors, and make sure that there is some local input so that we actually have a first class programme when the whole thing is over.

I do not particularly like getting up here and tearing a strip off the minister's hide because, in my opinion, he has shown a lot of innovation in getting the framework in place. I only wish that he was able to implement it in such a way that we would not have the disaster that we almost have on our hands today.

So, Mr. Speaker, with those few comments, I say that I am hoping this would be the death knell of the private vocational school system in this Province. I say that not because we want to destroy it for the sake of destroying it, but because the students, who are forced to go there and pay eight to ten times as much to go there, will have the courses available to go to in our own institutions and there will be no need now for these particular institutions. I hope that and I also hope that the minister takes this warning and makes sure that he consults with his staff and makes sure that the implementation of this programme is not brought in with a tremendous amount of distress to the people who work with the system and who have given their lives, in most cases, to teaching in our vocational education system. With those comments, Mr. Speaker, I will sit down.

MR. SPEAKER:

If the minister speaks now, he will close the debate.

MR. POWER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Career Development and Advanced Studies.

MR. POWER:

Mr. Speaker, I have never heard from that hon. member and I do not mind taking a strip off the Leader of the NDP, the member for Menihek (Mr. Fenwick), when he is so totally, totally out of touch with reality.

SOME HON. MEMBERS:

Hear, hear!

MR. POWER:

The truth of it all is, Mr. Speaker, the member spoke for ten minutes. Do you know who he never mentioned in the whole speech? He never mentioned a little part of a person's life called a student, he never mentioned students. He talked about protecting the jobs of instructors, about destroying the private school system which serves a valuable function in society, about all the things we have done wrong and a totally demoralized staff, but never spoke about students.

Now, Mr. Speaker, we are not concerned about the union membership friends of the member for Menihek. The socialist member wants the government to supply everything and he has no place at all for free enterprise in this country. The fact is he really cares more about protecting his former teaching associates and affiliates on the West Coast and through the NAPE union in the Province, so the union membership, job security and job seniority are all important and innovation and modernization and improvements for student life is somehow or other secondary to all of that.

Mr. Speaker, I have got to say this and I do not mind saying it because most of the instructional staff in our post-secondary system fully agree with my comments. I have spoken to an awful lot of them individually and in small groups. They fully agree that the post-secondary educational system is designed first and foremost for the benefit of students and their job security should never be a high priority.

AN HON. MEMBER:

They are not unionized.

SOME HON. MEMBERS:

Oh, oh!

MR. POWER:

Well, I can only say that I can see some of the problems that developed in the post secondary system when that member was involved and I have not seen much improvement either in the political process since he got involved in that. So I hope when he goes back to the post secondary system somewhere in a year or two hence, he will be able to make some improvements on some of the new initiatives we have undertaken.

I can only say that I agree with the Leader of the Opposition. Sure we are building up on Liberal initiatives of the 1960s and 1970s, sure we are building up on the Cabot Institute, sure we are building up on a trade school system that was there and it was done very, very well in the 1960s. It was badly needed. It was done and it was a very good programme. Nobody in this Province and certainly nobody in this party will deny that during the late 1950s with the university, during the 1960s and the 1970s, there was an awful lot of educational improvement in this Province.

I remember sitting very close to there with the former, former Premier, Mr. Smallwood, one day when he was here. He thought that the most important thing he had done in Newfoundland concerned the education system. I agreed with him fully. It is probably the best thing the Liberal administration did.

SOME HON. MEMBERS:

Hear, hear!

MR. POWER:

I also do not mind saying, Mr. Speaker, that this Conservative administration, since 1972, has also done a fair amount in the educational system. Nobody today who went to the university as I did during 1965 to 1970 can go over to that facility today and say in 1987 that that is the same facility that Joey Smallwood and the Liberals built. It is a brand new facility. So much of it has been replaced and it has been built upon. Some of the initiatives even today are still Liberal and Conservative from the government of Trudeau when we did some of our work at the university, the School of Medicine and others, for example.

The fact that our Marine Institute was done under joint governments which were Liberal and Conservative, I do not mind saying that, Mr. Speaker, but I do take strong resentment to the NDP in this Province who are now going back further in history than the former, former, former governments of Newfoundland and who simply want to somehow or other go back to the old system of old courses, not innovative, not new, not modern, not to serve the purpose of students so as to allow them to go out into the job market.

It is absolutely ridiculous to think that somehow or other this department, Career Development and Advanced Studies, which has the largest increase in any government agency in the last two years, with a budget this year of \$213 million, somehow or other has a totally demoralized staff and has everybody scurrying around trying to protect their jobs. It just is not true. There are a large number of people in our department who were not there before and who are making significant

improvements in the post-secondary system. The courses are better, the teaching is better, the facilities themselves are better and this government has made a very -

AN HON. MEMBER:

(Inaudible) is better.

MR. POWER:

Well, I am the first minister, I do not have much to be compared to, to be better or worse than. Hopefully I might be better than the next guy.

SOME HON. MEMBERS:

Oh, oh!

MR. POWER:

And there is a former Minister of Education there that obviously we should be compared to.

But, Mr. Speaker, we have made and are going to make this year, with \$213 million, some substantial improvements in our post-secondary system. Somehow or other, for the member for Menihek (Mr. Fenwick) to start saying that we have a worse system and that we have a system that is totally demoralized is simply not true. At the university, at the marine institute, at the Cabot Institute, at the Fisher Institute in Corner Brook and in the community college process, we have a tremendous number of individuals who were innovative, who are enlightened, who are progressive and who are going to make an awful lot of improvements in the school system.

I think that, somehow or other, if you take away the political gobbledygook that he gets on with, the playing games, criticizing for the sake of criticizing, which is a trap that the Liberal Party

falls into sometimes, simply for the sake of being critical you are critical, the NDP Party gets into that, then I think you are doing no service to your constituents within your party and certainly no service to the people involved in post-secondary education in this Province.

AN HON. MEMBER:
(Inaudible).

MR. POWER:
Well, there are not many constituents left for the NDP, we all know that.

Now, Mr. Speaker, about the private schools, student aid, and a couple of things that were mentioned. This Province has the best student aid system in Atlantic Canada and in only two small sections of student aid are we bettered by any province of Canada, one in the case of Quebec, and one in the case of Alberta, in small sections of student aid. So we do give our students as much money as possible to go to school.

We also supply student aid, Mr. Speaker, to go to private school sometimes. It is wrong to say that all private schools are bad.

MR. FENWICK:
I did not say that.

MR. POWER:
You are an opponent. I asked if you said proponent. You are an opponent of the private school system. But still you send me letters that criticize the government and a minister who might happen to say that some private schools are good and some private schools are bad. There is a place for both in our society and we are going to the next step in the post-secondary system. The

next priority we have as a government is to make sure that the next year we are here discussing legislation for private schools in this Province, to make sure -

SOME HON. MEMBERS:
Hear, hear!

MR. FENWICK:
Long overdue, long overdue.

MR. POWER:
Mr. Speaker, I would like to live in the socialist heaven that these people live in. We started this department two years ago. We had to take two old departments of government and put them together. We did a White Paper that everyone thought was terrible. We sent it out to the public and the public said, "Here is an entirely new and better way to do it." We listened to the public and we did it the way the public said. We had to get boards of governors, we had to get our chief executive officers, all that is being done and sometime, if the Legislature stays open for another week or so, I will be able to announce the new chief executive officers for our community colleges and our institutes. Mr. Speaker, that all takes time. You cannot do that just by snapping your fingers and somehow or other saying, "I wish it would happen." I would like to have it happen more quickly.

The next big step is to do something with the private schools and I want to make it clear in this House that some private schools are quite good. I thought I made it clear on CBC last week but I find at least one school in St. John's is very, very upset, that I somehow or other have cut down their enrollment or somehow or other slandered them and that

is simply not true, Mr. Speaker. There are some private schools that are really good. There are some courses that are not so good and there is a role to be played by both. One of the reasons that we did all our reorganization in the public side, if you want, was because the private schools were beginning to replace in the people's eye the progressive leaders of post-secondary technical education. And that is simply not true.

We are the leaders. The Cabot Institute, the Marine Institute, the Fisher Institute, which will broker courses throughout all the community college system, they are going to be, as they consistently have been, the leaders in almost all aspects of post-secondary education.

I also want to say, as I mentioned in my opening comment, that the member for Menihek (Mr. Fenwick) did not mention students. The member for Menihek also has a very poor understanding of what the post-secondary reorganization was all about. It was not designed to do his little pet project, which was first year university in Menihek, in Wabush, Lab City. He is very upset that he has not gotten his first year, which one of his NDP cohorts was fighting very hard to get and which would have been nice to put in there if that was the priority. But it was not the priority. The priority in post-secondary education was to modernize the technical vocational side of education. This government and the people of this Province already spent \$110 million or so on university education, so our priority in the post-secondary system was to reorganize the technical vocational side. The public input

that we had was that people would like to see university education offered closer to home and we, of course, wanted to do that. But, Mr. Speaker, that was not the priority.

I can only say in moving second reading that I am delighted to have been part of a progressive modernization of the post-secondary system, and I am really sorry that a former teacher in that system has taken such a negative aspect towards post-secondary reorganization in this Province, which is designed for the good of students.

Mr. Speaker, I move second reading.

On motion, a Bill, "An Act Respecting The Establishment And Operation Of The Institute Of Fisheries And Marine Technology, The Fisher Institute Of Applied Arts And Technology And The Cabot Institute Of Applied Arts And Technology," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill 12)

MR. OTTENHEIMER:
Order 20. Bill 39

Motion, second reading of a Bill, "An Act To Amend The Memorial University (Pensions) Act." (Bill No. 39).

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

MR. POWER:
Mr. Speaker, in introducing this piece of legislation, it certainly does not have the magnitude of the other two pieces of legislation that I have on the Order Paper, which are the Institute Act and the Community College Act. This

basically is to remove some anomalies and to make some small improvements to the Memorial University (Pensions) Act. If there are any questions related to the detail of the amendments that we are suggesting, then, I guess, we will do that during third reading.

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

We, on this side, want to say that we give our support to this particular bill, a bill designed to correct deficiencies, inadequacies and anomalies in the Memorial University (Pensions) Act and to bring it more in line with other pensions within the public service, certain benefits that have been in other pensions, particularly with respect to teachers and other pensions within the Public Service. We think it is long overdue. We do support the bill and commend the committee at the university who worked so hard to develop this particular legislation, or the proposals to bring about the legislation, and commend the government, Mr. Speaker, for introducing the bill. I am sure it is going to be welcomed by the people at the university and, as I said, it is long overdue. I know they have been fighting for this for some time, so we want to give it our full-hearted support.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Is the hon. member closing debate on the Bill?

MR. FENWICK:

Could you recognize me first, Mr. Speaker?

MR. J. CARTER:

No. No. Sit down.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

Just a small point in terms of the principle of it, Mr. Speaker. The Memorial University (Pensions) Act make it consistent with recent changes to The Public Service (Pensions) Act. I was wondering if the Minister of Finance would care to chip in his two cents worth here and indicate whether the Memorial University (Pensions) Act has the same provision in terms of offset with the Canada Pension Plan, starting at age sixty, as the Public Service Pension Plan? If the Minister of Finance would care to respond to that, I would be interested in finding out whether it indeed does. In general, as the member for Bonavista North (Mr. Lush) said, we appreciate the fact that the government is finally bringing the legislation up to snuff, so to speak, so it complies with recent improvements to the Public Service Pension Plan. Maybe the Minister of Finance would care to respond to that.

MR. SPEAKER:

The hon. the Minister for Career Development and Advanced Studies will now close the debate.

MR. POWER:

With regard to the question on detail, during third reading, I will get an answer for you.

I move second reading.

On motion, a bill, "An Act To

Amend The Memorial University (Pensions) Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 39)

MR. OTTENHEIMER:
Order 19. Bill 27.

Motion, second reading of a bill, "An Act To Amend The Financial Administration Act, 1973." (Bill No. 27)

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

DR. COLLINS:
Mr. Speaker, these are some amendments to this act to clean up and clarify, I guess. The first clause relates to what are called call loans. These are basically overnight deposits where these are secured by the holding of collateral. Now, the Auditor General has questioned whether it was proper to enter into these things. Our opinion from Justice is that it is proper, but to get away from any further questioning of this, we are going to put this specifically in the act. It is not now specifically in the act. The wording of the act, the Department of Justice assures us, and this was our understanding all along, of course, does cover this.

The second clause gives the Comptroller General the authority to make advances to members of the public service where they have to buy or enter into contracts which demand immediate payment. Now, these amounts are really just petty cash amounts essentially. These are done under regulations, and it is just for the efficiency of the operation of the Public Service.

Clause 3, subsection (1) relates

to entering into call loans again. The main part of clause 3 relates to interest and currency exchange contracts. This is very much like the previous point, that is that we have had advice from Justice that the Financial Administration Act extends to that now. It has been raised by the Auditor General, so we are putting it specifically in the act, spelled out in so many words.

The fourth one is much the same. For many years we have had to purchase foreign currencies to repay principal and interest on foreign currency loans. The act does not specifically say that the Minister of Finance has the authority to purchase those currencies, but, of course, it has been going on for years. The Department of Justice says that the general provisions of the act cover that. So, again, this is just some specific wording to essentially clear up any questions on the basis of the Auditor General's comments.

Now, the Auditor General in this regard says, 'I want improvements to the act.' We have no problem in making these improvements to the act, putting in specific wording, because this is a developing area of financial management and there are new things all along. So we have no problem in bringing the act up-to-date the whole time. The only argument we have with the Auditor General, sometimes, is where he says there is no authority to have done that up to this point in time whereas our advice from Justice is that we do have the authority under the general provisions of the act. What we are doing now is to avoid the need to go back to Justice and get those opinions, because there

will be specific wording in the act that we can enter into call loans, that we can buy foreign currency, and so on and so forth.

With those words of explanation, I move second reading.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, we are glad to see that the minister has had to eat humble pie, that this amendment is clearly a vindication of the Auditor General on whom the minister levelled one scathing attack back a year or so ago when the Auditor General criticized the government on two accounts, one on the call loans and the other on the forward exchange contract, and where the Auditor General said that the provincial government had lost something in the area of \$5 million.

Mr. Speaker, every amendment here today is brought about as a result of the criticism of the Auditor General. I say, thank God for the Auditor General and the fact that the minister paid attention to the criticism and to the warnings of the Auditor General.

MR. J. CARTER:

A point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. J. CARTER:

The member for Bonavista North a few moments ago alluded to the fact that the government may have lost \$5 million or \$5.5 million. This is the infamous \$5.5 million that the Opposition are suggesting was lost. Now, that is not true.

It is false. In fact, if it is said with proper knowledge, it is a lie. It is an absolute, unvarnished lie that any money was lost by the Department of Finance.

Now, this came up in Public Accounts and we looked at it exhaustively and, therefore, I feel that I am able to speak on it.

MR. LUSH:

Well, why does the member not speak at some other time instead of taking up my time.

MR. J. CARTER:

I am sure that I will probably incite other comments but, Mr. Speaker, I think it is so important that at least the public not be deluded. It is alright for the Opposition to be deluded. They are deluded most of the time. But it is not alright for the public to be deluded. There is no question at all that there was no loss of money whatsoever. In fact, the Department of Finance showed itself to be extremely prudent in what they did.

Therefore, I think that when there is misinformation that everybody knows better, then it is any member's duty to get up and clarify the situation.

MR. SPEAKER:

Order, please!

There is no point of order.

The hon. the member for Bonavista North.

MR. LUSH:

Thank you, Mr. Speaker.

I will tell the hon. gentleman now, I would rather put credence in what the Auditor General says than to put credence in what the

hon. member for St. John's North is going to say, any time at all.

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

He can find no fault with what the Tory Administration does. The hon. gentleman is a fine man until it comes to dealing with matters relating to the Tory administration and then his blinkers are so narrow, Mr. Speaker, he cannot even see straight ahead.

Mr. Speaker, before I got interrupted I was saying that the amendments brought about here today are brought about through the efforts of the Auditor General. The Auditor General had said that there was no authority under the Financial Administration Act of this Province to make call loans, there was no authority to enter into forward exchange contracts, and, Mr. Speaker, the other item addressed was with reference to paying for goods and services and work without each being rendered, without the goods being received, without the services being received, and without work being rendered. Again, the Auditor General brought that up in this year's public accounts with respect to \$2 million that was spent for asphalt, asphalt that the government had not received, and I do not believe they have received it yet, Mr. Speaker.

So, all of these amendments were brought about because of weaknesses and deficiencies identified by the Auditor General. Mr. Speaker, the Auditor General clearly today should be seen by the people of Newfoundland as a man who knows what he is

talking about.

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

The Auditor General certainly can be proud today to know that what he said was correct. Otherwise, why did the government move to bring in this legislation? We are glad they did.

But having said that, Mr. Speaker, we believe there are areas here in which they have gone too far. Remember, the Auditor General's only concern is that whatever the government does in transacting financial matters of this Province, that they have the authority of this House, that it is within the ambit of the Financial Administration Act to allow the government to act in whatever way they act. That is the Auditor General's concern. So there is no doubt about it. The Auditor General will be happy when he hears about these amendments today with respect to call loans and with respect to forward exchange contracts. Mr. Speaker, now they have made legal the other criticism of the Auditor General, the fact that they have been prepaying, the fact that they have been paying upfront for goods and services not received and for work not rendered. So again, to satisfy the Auditor General, they are now looking for the proper authority to do that.

Now, I noticed hon. gentlemen saying that maybe I should rush on this, but, Mr. Speaker, we are into an important area. Again, I believe government are asking for powers beyond what is necessary here today and powers that are quite out of the ordinary with respect to parliamentary procedure

and with respect to the House of Assembly. I just want to make two points, having stated that I am glad to see that the government have heeded the advice of the Auditor General and completely vindicated the Auditor General from the scathing attack launched on him by the Minister of Finance at the time when he made the accusations that the call loans and the forward exchange contracts were not permitted under the Province's Financial Administration Act. Now, we have brought in these amendments to allow the Province so to do.

DR. COLLINS:

It is not giving new authority. It is just clarifying the relevant sections.

MR. LUSH:

Well, whatever it is, the minister today has moved so that the Auditor General will not criticize these transactions any more, these call loans and these forward exchange contracts.

Mr. Speaker, having said that, there are two points I would like to advise hon. members about because I am not sure that they know what they are doing. I want to refer to clause 2, particularly the explanatory note which says, 'This amendment to Section 33 of the Act would provide that the Controller General of Finance may make advances of money to members of the public service when an immediate payment is required for goods, services or work performed.'

Mr. Speaker, coming over to the appropriate section of this. It is clause 2 and it states: 'Section 33 of the Act is amended by re-numbering it as subsection (1) of section 33 and by adding

immediately after subsection (1) the following:

'Notwithstanding section 30, the Comptroller General may, subject to the regulations, advance money to a member of the public service or other person employed upon the public business for the purpose of paying for the performance of work, the supply of goods or the rendering of services in connection with a part of the public service.'

Mr. Speaker, this would seem like a most unusual measure. Here the government can pay money to practically anybody pay for services not received, for goods not received and for work not done.

DR. COLLINS:

No, (inaudible).

MR. LUSH:

Well, Mr. Speaker, it says 'Notwithstanding section 30, of the Comptroller General may, subject to the regulations, advance money' - Now is that what it says? - advance money to a member of the public service or other person employed upon the public business for the purpose of paying for the performance of work, the supply of goods or the rendering of services in connection with a part of the public service.'

If I am reading it differently, the Finance Minister may indicate, but my understanding of that is, again, to take care of the criticism levelled by the Auditor General when he condemned the government for, particularly in this year's Public Accounts, of over \$2 million, I forget the exact figure, that was paid of asphalt which the government had not received.

DR. COLLINS:

No, just for petty cash. That is just to pay cash (inaudible).

MR. LUSH:

This amendment here allows the government to pay for services, to pay for goods -

DR. COLLINS:

To advance money to a member of the public service so that when he gets something that needs immediate payment, he has money to pay over.

MR. J. CARTER:

Read the amendment, for heaven's sake.

MR. LUSH:

'Advance money to a member of the public service or other person employed upon the public business,' it states. That could be anybody employed upon the public business. Could it not be a lawyer doing work for the government? Could it not be any individual, any business doing work for the government, and that would be considered doing work for the government upon public business? This clause will entitle the minister, the government, to pay that person for work not done, for services not rendered.

DR. COLLINS:

No.

MR. LUSH:

It does not?

DR. COLLINS:

No, the Comptroller General is advanced with money, so the fellow has it in his hands and when the work is done he says, "Here is the money for it."

MR. SIMMS:

Not for work that has not been done.

DR. COLLINS:

It is not for work not being done. This is petty cash.

MR. LUSH:

So the money will not be paid until the work is done.

DR. COLLINS:

Goods received, work done or whatever.

MR. LUSH:

Okay, well let us read it again. 'Notwithstanding section 30, the Comptroller General may, subject to the regulations, advance money to a member of the public service or other person employed upon the public business for the purpose of paying for the performance of work, the supply of goods or the rendering of service in connection', - but it says in advance. Does it not? It says in advance.

DR. COLLINS:

An advance to someone in the public service.

MR. LUSH:

- "may, subject to the regulations, advance money".

MR. SIMMS:

Yes, not to pay in advance.

MR. LUSH:

We will let the minister clarify that. It is not in advance, no.

MR. J. CARTER:

There are different parts of speech, like a noun, pronoun, verb, adverb.

MR. LUSH:

Why the change because that is in the regulations now? What is the

purpose of the change? What is this doing that is not -

MR. SIMMS:

You carry on. He will respond.

MR. LUSH:

My understanding is that regulation 30 states precisely that the government is not to pay in advance, not to pay for goods unless they are received, not to pay for services unless they are received, and not to pay for work unless it is rendered. That is now the condition of clause 30 in the Financial Administration Act.

Maybe the minister can clarify it because I do not see what this one does if it does not give the power to pay in advance. If it is not that, why is it necessary? It is already stated in the Financial Administration Act the conditions upon which monies can be paid to people for services, goods, excepting with large contracts of course where we have this system of progress payments in large contracts. So I do not see the purpose of this, if this is not what it means to pay for services and goods not received and for work not rendered or not completed.

MR. SIMMS:

He will clarify when you finish making all your points.

MR. LUSH:

The other one, Mr. Speaker, which is a little more delicate, which is 4 (3) I think it is, on page 6, in any event, in the amendments to the bill. This is where we authorize, where the government is legalizing now, authorizing getting into futures and exchange contracts, but particularly into futures. This is a philosophical point.

I believe it is very, very dangerous for the Province to be entering into futures using the public dollars at great risk, Mr. Speaker -

MR. J. CARTER:

You do not know what you are talking about.

MR. LUSH:

Yes, it is using the public dollars at great risk. I would say that it is a matter of David versing Goliath, Mr. Speaker.

When the Province enters into an exchange contract, enters into futures, they are dealing with the experts and they are people who want to make money. If the minister enters into a contract with the Bank of Canada or with any other institution, they are doing it, Mr. Speaker, to make money and both cannot make money. One is going to win and the other is going to lose. I would say that with the financial expertise of the financial institutions, it is the Province that is in the disadvantageous position. I believe it is a dangerous type of business for the government to get involved with when we talk about using the public dollars of this Province.

Mr. Speaker, though we support the principle of the bill, these two clauses we are very much concerned with and maybe the minister could address them and clarify any point of misunderstanding that I had with 2 (2) particularly and also with 4 (3). With 4 (3) there is no misunderstanding, the minister is into gambling, that is what he is into, gambling. He is into speculation. That should not happen with the public dollars of this Province. We want to assure, anytime we make any kind of an

investment, we want to guarantee the people of this Province that we are not going to mess around with their dollars, and that we are not going to lose any dollars, but this is a situation where we can lose dollars.

Oh, there is no doubt about it, we can win too. It is something like the lottery. Goodness knows, we might be going into the lottery. This government might be going into lotteries. It is like the lottery, Mr. Speaker, you take your chances. I believe that that is a dangerous thing to be doing with the tax dollars of the people of this Province. I would certainly advise the minister to look carefully at this before he pushes the bill through, before he rams it through, Mr. Speaker. I am having trouble with 'bill' today.

Mr. Speaker, we do support the principle or the main thrust of the bill because it was what the Auditor General of this Province asked to have done. He wanted that done to make legal the transactions that this government had engaged itself in, to make them legal. Now, the minister has finally listened to the Auditor General and vindicated the Auditor General.

The Minister of Finance should get up and apologize to the Auditor General for the scathing attack. We could accept the bill, I suppose, as an apology, but the minister should get up in person-fashion and apologize to the Auditor General. I know the Auditor General will accept this, in itself, as an apology, but the minister, in person-fashion, should get up and publicly say that he apologizes to the Auditor General.

SOME HON. MEMBERS:

Hear, hear!

MR. J. CARTER:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for St. John's North.

MR. J. CARTER:

Thank you, Mr. Speaker.

Mr. Speaker, if I choose to borrow American currency and the rate at which I borrow it is frozen at today's rate, then I can always discharge that debt with the same amount that I borrowed. Now, if you borrow \$100,000 in Canadian money, you can always discharge that debt by repaying \$100,000 Canadian. That is basic. Everyone will accept that, plus interest, of course, for however long you have it.

Now, if I borrow American money at today's exchange rate - let us say, the exchange rate is \$1.32 - and the lender says to me, 'Look, we will freeze the rate. It does not matter what happens to the rate, whether it goes up or it goes down. We will freeze the rate as far as your loan is concerned at \$1.32 Canadian for the dollar,' then I can always discharge that debt, plus interest, for the exact amount of money that I borrowed.

Now, that is the absolute opposite of speculation. It is the most cautious prudence that one can ever imagine. This is precisely what the Department of Finance did when borrowing the \$75 million in American currency. They agreed to freeze the rate at \$1.32 Canadian to the dollar American. That meant that at any time during the course of the loan they could

discharge the debt for the same amount of money that they borrowed.

Now, how that can be speculation absolutely defeats my imagination. I think it would be a useful exercise if members were to stick to that point. If any member can convince me that borrowing an amount of money that can be discharged by repaying the exact same amount of money is speculating, then I will eat my hat.

I do not think there is more to be said than that. It is as simple and as straightforward as that. So if the member for Gander wants to get up and dig a deep hole for himself, I will sit down.

MR. BAKER:
Mr. Speaker.

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

MR. BAKER:
Thank you, Mr. Speaker.

First of all, let me say I am very pleased that my nemesis on the Public Accounts Committee, the member for St. John's North (Mr. J. Carter), has finally admitted something that I have been trying to convince him was true for the last year. He finally admitted that \$75 million American were borrowed and that, in fact, this issue he was referring to is an American issue. I am very pleased to see that he has come to his senses and accepted my particular position on this transaction. I formally welcome him to my position.

This Bill, Mr. Speaker, I would like to have a few words to say about, not a great deal. I would like to first of all endorse the

position taken by my friend and colleague for Bonavista North (Mr. Lush) who did a tremendous job, as usual, in presenting his position.

There are two things concerning this Bill that bother us. The first one is easily dealt with, Mr. Speaker. It is section 4, subsection (3) which has to do with the forward exchange contracts. I agree with my colleague for Bonavista North that this is a vindication of the position taken by the Auditor General and that now, forever, when this Bill is passed, it will be legal for the government to enter into forward exchange contracts. If this is a policy decision taken by the Minister of Finance (Dr. Collins), and by Cabinet, then it will be legal to do so.

There still remains the question, of course, as to whether it is prudent to enter into such contracts. If that is a decision that government makes and they decide it is prudent to enter into such contracts, then obviously, years down the road, when people look back at these forward exchange contracts, judgements will be made at that point in time as to whether they were prudent things to enter into or not.

I would simply like to say about that, Mr. Speaker, that entering into a forward exchange contract for ten years down the road, at a time when the American dollar was at a peak, at a high, is similar to a person getting a mortgage on a house -

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

MR. SPEAKER:

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

MR. J. CARTER:

I sat here for a few minutes putting up with the hon. gentleman effectively trying to put words in my mouth. I cannot sit here and allow him to do this.

MR. BAKER:

I am trying to put ideas in your mind.

MR. J. CARTER:

If money is borrowed at a fixed rate, then it does not matter what happens to the rate in the future. If you want to borrow, let us say, \$100,000 Canadian and you borrow it in American funds at a fixed exchange rate, then it makes no difference what happens to the exchange. It is just so straightforward that the amount you borrow can be repaid in the currency you borrowed it in, which happened to be Canadian currency in this case because it was immediately converted or convertible at a fixed rate, so there is no penalty. The American dollar can go up or it can go down. No one expects to repay less than they borrowed and certainly no one wants to repay more than they borrowed, so if you repay the same amount that you borrow, I do not see how anyone is taken advantage of.

MR. SPEAKER:

There is no point of order.

The hon. the member for Gander.

MR. BAKER:

Thank you, Mr. Speaker.

I appreciate your ruling. The hon. gentleman opposite obviously does not know what a point of order is so how can he be expected

to understand something like forward exchange contracts?

SOME HON. MEMBERS:

Hear, hear!

MR. BAKER:

Anyway, Mr. Speaker, as I was saying, getting locked into, or going into a forward exchange contract at a time when the American dollar is at a high is similar to a person a few years ago, when mortgage rates were 19 and 20 per cent, going out and locking themselves into a 20 per cent mortgage for the next ten years and using the excuse that, 'Well, at least now I know what I have to pay,' without taking into consideration what the money market may be like ten years down the road. It is a similar situation. If the Minister of Finance (Mr. Collins) wants to enter into these forward exchange contracts at points when the currency that he is dealing with is at a peak or at a high, then that is his business. I can understand him doing it when it is at a low. I can understand people right now in the mortgage market going out and getting a 9.5 per cent mortgage or something and saying, 'I would like to fix this for ten years now.' I can understand that, but I could not understand them doing it when it was at 20 per cent.

I feel deep down that that is what the Department of Finance has done in this particular case. But, Mr. Speaker, be that as it may, that is really kind of off the topic.

Be that as it may, the ability to enter into a foreign exchange contracts is probably a good thing. It would allow the government to at least know what its debt is going to be ten years

down the road. It would allow the government to plan on the basis of knowing for sure what its debt is going to be ten years down the road. That is the advantage for the foreign exchange contracts, whether they are used wisely or not, whether that particular tool is used properly by the government, is a totally different issue.

MR. EFFORD:

I doubt if it would be by that government.

MR. BAKER:

I would suggest, if used properly, then it is a smart move to make this particular amendment to the Financial Administration Act.

However, Mr. Speaker, I wish I could be as kind about Section 2. In order to explain my position with regards to Section 2, I would like to refer back to the Financial Administration Act which, by and large, is a very prudent document. Section 30 of that document is particularly important. Section 30 describes the conditions under which payments can be made, payments of public money and that is what we are here for. We are suppose to make sure and this act is suppose to make sure that payments of public money are properly made. Section 30 outlines the procedure that has to be gone through before public money can be paid. It indicates that there has to be various certifications. It says, 'No application for payment out of public monies shall be made for the performance of work, supply of goods,' and so on, 'in connection with any part of the public service unless, in addition to vouchers and certificates required, the appropriate deputy minister or other persons

certifies that...' Then it goes on to a whole list of things that have to be certified, the work has been performed, the goods supplied, services rendered, and a variety of things like that, for expenses incurred or people travelling, they were properly incurred and so on. The Comptroller shall see that no cheque is issued unless all of these safeguards are taken.

When there is a clause in there like that that guarantees that payments have to be made properly, that guarantees that payments cannot be made unless there is a specific procedure followed, when that clause is in there, one wonders why government would want it removed. It seems to me, without that clause in there, the whole heart and soul of this Financial Administration Act is gone. One of the things that we have to be able to do is to guarantee that payments are properly made and cannot be made ahead of time and cannot be made unless the goods are delivered or the services are adequately provided.

I submit that Clause 30 of the Financial Administration Act is, in fact, a good clause and a necessary clause. It is a clause that has to be there. The people who drafted this act in 1973, I believe it was first brought in 1973, those people are to be commended for having this particular clause in the Financial Administration Act.

However, when I pick up a document that says that now we want to pass an amendment to the document - Now, the Minister of Finance or whoever drafted this under the direction of the Minister of Finance - it is his bill - instead

of doing an amendment to Clause 30, which is the operative clause here in terms of payment, they moved over to Clause 33. That clause dealt with some advances for travel expenses. It is seemly insignificant.

They want to stick on to Clause 33 a clause which effectively negates Clause 30. That is the part I do not understand. What I do understand, Mr. Speaker, is this: Sometimes it may be convenient not to have to go through the process laid out in Clause 30. Sometimes that may be convenient. As a matter of fact, I am even willing to admit to the Minister of Finance that in some cases it may be necessary, in some cases they may see it to be necessary - let us put it that way - to not follow the procedure in Clause 30.

However, when you put in a clause that says, 'Notwithstanding Section 30,' and then go on to state the same thing as is in Clause 30 but omitting the process, then you begin to wonder. The effect of this particular section, Section 2 of the amendment, is to negate Clause 30 of the Financial Administration Act and it is to give power over the disbursing of funds without the proper procedure being followed or without the proper safeguards being taken.

I understand why the Minister of Finance wants to do it. There is an item that was referred to by the member for Bonavista North previously about a payment that was made without receipt of goods, a payment for \$2.9 million, almost \$3 million.

The interesting thing about it, Mr. Speaker, is that I believe that all of the necessary vouchers

and so on and all the necessary signatures were obtained to satisfy Clause 30, even though the goods were not delivered. I can see where, by putting in this particular change in Clause 33, the Minister of Finance could then say, 'But it is possible, there is a place in here whereby we can now pay out money,' whether it be because of a federal - provincial agreement or whatever, 'without going through all of the safeguards in Clause 30.'

Now, as I say to the minister, there might be some cases when he feels that it is necessary to do that. However, in doing that and in trying to perhaps make allowances for some cases that might come up in federal - provincial agreements, he has opened the door to an abuse of Clause 30, an abuse of the system, an abuse of the procedures that have to be followed before goods are paid for, before services are paid for and so on.

I am going to have a little more to say about it at committee stage. I would say to the minister at this point that I suggest he go back and have another look at Section (2) because we can live with Section (4). We can live with that. It is up to him then how he uses it. Section (2), I really believe, is far too broad and gives far too much power to ignore Clause 30 which, I believe, is an extremely important clause in the Financial Administration Act. The whole guts of the control of money is Clause 30. Once you put in a notwithstanding clause for Clause 30, I believe you are defeating the whole purpose of the Financial Administration Act.

I would say to the minister, I

will have a little more to say to it in the Committee stage when we can have some give and take, back and forth.

SOME HON. MEMBERS:
Hear, hear!

DR. COLLINS:
Mr. Speaker.

MR. SPEAKER:
If the minister speaks now, he closes the debate.

The hon. the Minister of Finance.

DR. COLLINS:
Mr. Speaker, just a very quick word in regard to the Auditor General. The Auditor General's Office is extremely important. This government pays out a lot of money each year to keep the Auditor General's Department in place and pays a fair bit of money to keep the Auditor General there, pays a reasonable salary and so on. So we are very supportive of the Auditor General.

Now, we are not supportive of the Auditor General when he is incorrect in his criticisms and those criticisms are at variance with advice we get from Justice. We will listen to his criticisms, we will listen to Justice, and we will make up our minds. Quite often, we will agree with Justice.

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

MR. SPEAKER:
A point of order, the hon. the member for Bellevue.

MR. CALLAN:
The Minister of Finance just said that the government that he is a part of, the administration, is very supportive of the Auditor

General. Mr. Speaker, nothing can be further from the truth. This Province, Mr. Speaker, is the only Province in all of Canada, the only administration in all of Canada, where the Auditor General does not have his own separate and distinct Auditor General's Act. If that is an indication of how this government is supporting the Auditor General, obviously, Mr. Speaker, we can put just as much credence into that as we can about the criticism that was levelled at the Auditor General back several months ago when he brought to public attention the loss of \$5 million.

MR. OTTENHEIMER:
Mr. Speaker, if I may on that point of order.

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

MR. OTTENHEIMER:
Mr. Speaker, I would point out the hon. gentleman, I believe, is reverting to his former parliamentary mode now that the leader is out and the strings are not being pulled, and I ask myself how long these muzzles are going to last. Personally, I would not like to be muzzled if I were elected by people, thousands of constituents out there. It does not make any difference if they are Socialists or Liberals or Tories, take direction from somebody who shares that responsibility because they have been elected, too, by others. But everybody to themselves.

That is slightly irrelevant, but the point I wished to make was that the hon. member for Bellevue's point of order was not a valid one and he is running the risk of incurring the wrath of you

know who, big brother!

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

There is no point of order.

MR. CALLAN:

A point of order, Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bellevue.

MR. CALLAN:

Mr. Speaker, the minister who just took his seat is as much aware as I am that I have had hundreds and hundreds of students visit the galleries of this Legislature from schools all over my district over the years and, on returning to their schools, I have received letters from some of these students, and the ones I did not receive letters from I received comments from, that they were totally disgusted to visit the Legislature and see a bunch of grown people acting the way they did.

MR. SPEAKER:

Order, please!

MR. CALLAN:

I have made a determined effort -

MR. SPEAKER:

Order, please!

MR. CALLAN:

- to mend my ways. Nobody is forcing me to do it, I am doing it at the wish of my constituents.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

There is no point of order, just a disagreement between two hon. gentlemen.

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, I do not want to prolong that point, but many people would think it unfair and not very gentlemanly to pass on to the Leader of the Opposition Party what the hon. member just did. People might think that is unfair and we should forget it now, but we are not very fair people and we are going to tell him what you just did.

Now, Mr. Speaker, in regard to the Auditor General, as I say, we support the Auditor General when we feel that he is contributory, and he has been contributory in bringing up points that needed clarification in The Financial Administration Act. That is why we brought in these clarification amendments. It is not that the authority was not there. We had full assurance from a very expensive department which we keep, the Department of Justice, that we had the authority to do these things. But when he is off the beam, and many times auditor generals are not correct, they are human like everyone else, especially in involved financial areas, sometimes the Auditor General can lose his way somewhat.

Now, Mr. Speaker, when we enter into these financial arrangements we have bankers who are in our employment, or at least are contracted to us, who give us advice, we have fiscal agents who are contracted to us who give us advice, and we have other people we can call upon if an unusual financial matter comes up. So we have a wide range of very expert opinion, much more expert than the Auditor General in this area, and we follow their advice when we come down to these foreign

exchange and foreign borrowing matters.

Now, Mr. Speaker, the member for Gander brought up this point about clause 2. I can assure him that that amendment to section 33 of The Financial Administration Act is to allow petty cash. The amount will be controlled through regulations and it will be controlled by the Comptroller General, who is a very vigilant person in terms of the public purse.

So there will be a cap on the amount that can be given to public servants for petty cash purposes. I am sure there are members in this House who have run small businesses. How could you run a small business without a petty cash account? I mean, if you had a little bull's-eye store, or a little stationery store, or if you sold -

MR. OTTENHEIMER:
Savoury.

DR. COLLINS:
- horse shoes or whatever, you almost always have to have a little petty cash for the minor expenses that go on day by day, by day. That is what this will do. If hon. members think this is going to give government the opportunity of spending millions and millions of dollars, they forget it will be done under regulations and it will be done by the Comptroller General, in the hands of the Comptroller General. So there is no risk. The hon. members were putting up a strawman, and I have just knocked him down.

SOME HON. MEMBERS:
Hear, hear!

DR. COLLINS:
Mr. Speaker, I do not know if I need to comment any further on the bill.

MR. BAKER:
Mr. Speaker, may I ask the hon. minister a question?

DR. COLLINS:
A question? Surely. Give me the question.

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

MR. BAKER:
If what the minister says is the operative method of this, and if that is what is meant by subject to the regulations that you may have made concerning this section, will the minister make some changes to this particular section to indicate that it is for petty cash and not for large expenditures? Right now it is wide open. Would the minister make those changes before we go through the Committee stage?

DR. COLLINS:
Mr. Speaker.

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

DR. COLLINS:
Mr. Speaker, it is not necessary to do that. That is what the regulations are going to be all about. The regulations are going to see how this act will be implemented. That is what regulations are.

MR. OTTENHEIMER:
And they are tabled in the House.

DR. COLLINS:
Yes, they are tabled in the House. I can assure hon. members that this is what this will do and

the regulations will state as I have so said. With those words I move second reading.

SOME HON. MEMBERS:

Hear, hear!

On motion, a Bill, "An Act To Amend The Financial Administration Act, 1973", read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 27).

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Forest, Resources and Lands.

MR. SIMMS:

Mr. Speaker, we are just waiting now for the Government House Leader to finalize his plan.

MR. OTTENHEIMER:

Order 21.

Motion, second reading of a bill, "An Act To Amend The Corporations Act". (Bill No. 38).

MS VERGE:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Justice.

MS VERGE:

Mr. Speaker, I am getting conflicting messages here. The Government House Leader had informed me a minute or two ago that the Official Opposition did not want to proceed with this now, but I understand there is agreement to go with it.

Mr. Speaker, this bill provides for technical changes to the new Corporations Act which was passed by this House of Assembly a year

ago and which came into force on January 1 of this year. The new act, Mr. Speaker, was the end result of about eleven years of work in the Province. The process was started by the Moores' Administration in the mid-1970s when they commissioned the present member for Mount Scio - Bell Island, who was then in private law practice, to prepare a White Paper and a draft model Corporation's Act for the Province. That process having been completed, the White Paper was circulated to members of the legal profession whose comments were invited. Let me see if I can get my decades straight. That was the mid-1970s. In the early 1980s, the Peckford Administration initiated the House of Assembly setting up a select committee to consider the proposed new Corporations Act and solicit public commentary on the proposals.

That select committee was chaired by the present Minister of Rural, Agricultural and Northern Development. It was made up of members on both sides of the House, including Mr. Ed Roberts, now in private law practice, who was then with the official Opposition. That committee encouraged submissions from the legal profession as well as others. Unfortunately, there was no representation whatsoever from any lawyer in the Province. Others, including the provincial Institute of Chartered Accountants, the Newfoundland Medical Association and the St. John's Board of Trade, did make submissions. Their recommendations were taken into account.

Finally, last year the New Corporations Act was passed. The

new act, in short, to refresh everyone's memories, brought corporations law in our Province into the modern world of business. Our old Companies Act had been based on 19th Century English companies law and had not really been changed appreciably in the 1900's. The new act is quite similar to Corporations Acts in other Canadian jurisdictions, including the federal Canada Business Corporations Act, so it offers the advantage of consistency with other Canadian corporations legislation.

It provides for more simple procedures for people incorporating initially, and, once incorporated, carrying on business; it makes possible forms of organization that were not permissible under the old act. It offers significant protection to creditors and, for the first time, meaningful protection to minority shareholders. That, I think, is one of the chief benefits of the new act, the protection given to minority shareholders.

The act generally encourages investment in our Province and is good for our economy. Mr. Speaker, a couple of months before the act came into force, in the Fall of 1986, the Law Society of Newfoundland, at long last, gave us some reaction to this new legislation. Their reaction contained recommendations for certain technical changes to eliminate any doubt about the transition for companies incorporated under the old act adapting to the requirements of the new act.

The new act says that any prior act company has to comply with the new Corporations Act by the end of 1988. Compliance is a simple

procedure involving filing a form and paying a fee. I think a fifty dollar fee if compliance is done this year, during 1987, and a \$100 fee if it is done next year, during 1988, with that bit of monetary incentive for prior act companies to comply early. Any prior act company which does not carry out this compliance procedure and indeed comply, is dissolved. That is considered desirable because there are a lot of companies on the books which are not functioning and for which the principals have no intention of activating. So it is just as well to have them cleared off the books.

Mr. Speaker, companies incorporated under the old act have a two year period within which to comply with the new act. The lawyers, in the Law Society's submission to the Department of Justice last Fall, pointed out some doubts about the legal regime that would apply to former act companies before they comply, remembering that they have two years, from January 1 past within which to comply.

Mr. Speaker, the most important changes to the Corporations Act set out in this bill deal with that transition and eliminate any doubt about the status of former act companies from the coming into force of the new Corporations Act at the start of this year until they comply with the new act.

Mr. Speaker, another change provided for in this bill allows shareholding in companies incorporated provincially in Newfoundland to meet Canadian content requirements of certain federal government programmes. Mr. Speaker, the amendments proposed in the bill parallel

Canadian content provisions in corporation's legislation in other jurisdictions in the country.

Finally, Mr. Speaker, this bill provides for the amendments contained in the bill having retroactive effect back to January 1 of this year, the day of coming into force of the new Corporations Act. There is no gap, so there is a smooth transition from the old to the new.

Mr. Speaker, these are all changes which have been recommended to the Department of Justice by the Law Society of Newfoundland. They will ensure that the new Corporations Act objectives are realized. They will eliminate any doubt about the transition from the old act to the new for companies incorporated under the old act, and will make it possible for Newfoundland and Labrador companies to comply with Canadian content criteria of certain federal government programmes of assistance.

Mr. Speaker, these are the principles of this bill.

Thank you.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, we certainly support the thrust of this particular bill, "An Act To Amend The Corporations Act", knowing full well the individuals who were involved in the designing of this particular bill, in the persons of the hon. the member for Mount Scio-Bell Island, the former member for the Strait of Belle Isle, the former Leader of the Opposition, Mr. Roberts.

I do believe that I also was a member of that committee and remember that we did schedule several public hearings. I do not think we got a lot of response from the public, but sufficient enough to at least get some input from the legal community and the business community to bring about the kind of legislation which was necessary. As the minister says, for the most part it is a redefining of the old law to make it more current with what was happening in Canada today, definition of corporations and ways under which companies become corporated, the acquisition and distribution of shares and so on and so forth.

Mr. Speaker, suffice it to say that on the strength of the people involved in initiating this bill and bringing in this kind of legislation, making the kind of suggestions and recommendations that was necessary, namely the hon. the member for Mount Scio-Bell Island, and Mr. Ed Roberts, and the input of the committee and the members who were on it, and then the fine tuning by the government, we support the thrust of this particular bill.

MR. SPEAKER:

If the hon. minister speaks now, she will close the debate.

The hon. the Minister of Justice.

MS VERGE:

Thank you, Mr. Speaker.

I thank the member for Terra Nova for reminding of his involvement and that of his colleague, the former member for the Strait of Belle Isle, in the special committee of the House which considered the draft new Corporations Act, and I thank him

for his support of these amendments.

With those comments, Mr. Speaker, I move second reading of this bill.

On motion, a bill, "An Act To Amend The Corporations Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 38)

DR. COLLINS:
Order 22. Bill No. 37.

Motion, second reading of a bill, "An Act To Amend The Department Of Rural, Agricultural And Northern Development." (Bill No. 37)

MR. SPEAKER:
The hon. the Minister of Rural, Agricultural and Northern Development.

MR. R. AYLWARD:
Thank you very much, Mr. Speaker.

As explained in the explanatory notes on the front cover of the bill, Mr. Speaker, this bill would amend the Rural, Agricultural and Northern Development Act to allow the Rural Development Authority to operate a non-revolving fund for the efficient administration of our fund.

There are a couple of reasons why we propose this change, Mr. Speaker. First of all, it will bring our Rural Development Authority more in line with the Farm Loan Board and the Fisheries Loan Board as they exist now. The main purpose of the amendment, as we see it, will allow for a more efficient operation of the Loan Board and more efficient processing of the monies that come into the department. We have a problem, sometimes, when the monies come into the Central

Cashier's office and it might take a couple of days to get it to our department. There are problems in calculating interest required. It takes some time to straighten out some of these problems.

Also, when our clients have loan approval and we pay out the money to them, or when the request goes for payment, we send it to the Department of Finance and, obviously, it takes time to go back to the Department of Finance. Sometimes there are delays of between three days and seven days, usually when the clients get their monies approved. It would be more efficient if we could pay out the cheques directly.

This bank account would operate the same as the Farm Loan Board and the Fisheries Loan Board. We would deposit to a consolidated fund, I would imagine, every month the monies which are accumulated in the fund. So the main purpose of it is to make it a little bit more efficient and a bit better service for customers of the Rural Development Authority, Mr. Speaker.

With that, I move second reading.

MR. KELLAND:
Mr. speaker.

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

MR. KELLAND:
Thank you, Mr. Speaker.

I just need a minute or so, Mr. Speaker. I want to say that comments made by the minister indicating that he is striving for a greater level of efficiency in administering the fund is a good idea, but I would like to give notice that I will be proposing an

amendment or amendments to the bill.

MR. SPEAKER:

If the hon. minister speaks now, he will close the debate.

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

MR. R. AYLWARD:

Mr. Speaker, I realize the hon. member is going to make an amendment.

I move second reading.

On motion, a bill, "An Act To Amend The Department Of Rural, Agricultural And Northern Development," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 37)

MR. SIMMS:

Order 24. Bill No. 43

Motion, second reading of a Bill, "An Act To Remove Anomalies And Errors In The Statute Law." (Bill No. 43)

The hon. the Minister of Justice.

MS VERGE:

Mr. Speaker, this bill, entitled "An Act To Remove Anomalies And Errors In The Statute Law," is just what it says. It sets out minor technical changes to between twenty and twenty-five of our Statutes. Several of the changes correct typographical or printing errors, and others make small changes in wording to bring them into line with current usage and practice. Others are changes in a variety of legislation to make them accord with some recent major legislative changes. The main instance of this type of change is

a variety of amendments, for example, to the Assessment Act and to a couple of others here, to the Election Act, to make them jibe with the new Judicature Act which provides for merger of the District Court with the Trial Division of the Supreme Court and effective cancellation of the District Court.

The current Judicature Act has streamlined our court structure, and instead of having four layers of courts in the Province, we now have three. There is no longer a District Court, and a couple of these changes eliminate references to the District Court in our Statutes. For example, the Assessment Act.

Mr. Speaker, since these are minor technical changes, housekeeping matters in the true sense of that word, I do not think there is any need for me to go into any of them now in more detail.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. SIMMONS:

Mr. Speaker, we take the minister at her word when she says in the explanatory note that these are technical amendments not involving matters of policy. This, of course, is the kind of bill that comes before the House from time to time to address the kind of matters that it addresses here. My purpose in rising, though, is to make a general point and I would not mind having the attention of the Minister of Rural, Agricultural and Northern Development. I was going to make the point on his Bill, but I think it is appropriate to do so here. The explanatory note to his Bill makes reference to the fund, but

then the bill, itself, proceeds to make changes in Section 8 of the Act, I believe. My point in raising it here is that I hope, Mr. Speaker, that members of the House can trust the explanatory notes. That is to say that it seems to me that the obligation is on the sponsoring minister to make an undertaking to the House that the explanatory notes cover the full breadth of the legislative changes. I have no doubt that is the case here with the Minister of Justice, but, if I may use the opportunity to make the point to the Minister of Rural, Agricultural and Northern Development when he stands in committee -

MR. R. AYLWARD:
(Inaudible) is that?

MR. SIMMONS:
The one that talks about the Board of Directors. What was the Bill number, 40? The one that would amend Section 8 and 8 (1) of the Act. Perhaps in Committee he can address himself to why that crept in there when the stated purpose of the Bill is otherwise? But my general point, and I believe the ministers have it, is that I would hope that ministers could make an undertaking to the House generally that the explanatory notes at the front of a piece of legislation cover the full breadth of the changes that are being proposed, and I submit that in the case of Bill 37 that may or may not have been done. I am asking the Minister of Justice now to the specific point so that she will make that undertaking, that the explanatory notes at the front of her bill do not omit any of the proposed changes in the several Statutes.

MR. SPEAKER:

If the hon. minister speaks now, she will close the debate.

The hon. the Minister of Justice.

MS VERGE:

Mr. Speaker, I can assure members opposite that the explanatory notes are accurate. They were prepared by our Legislative Counsel, and I think all members of the House can feel quite secure in the knowledge that we have some of the best Legislative Counsel in the country. Perhaps, when we are going through this bill clause by clause in Committee of the Whole, the Leader of the Opposition can repeat any particular question about a specific amendment contained in the bill and, at that time, I, or the minister responsible for the bill in question, can give a more full answer about the impact of the change. But, I repeat, all the changes in this bill are technical changes, none of them is a change of substance.

As anyone can see from glancing through, many are simply corrections of typing or printing mistakes, and others delete references to the District Court which, as I have reminded members, through our new Judicature Act has been disbanded, and the others are comparable housekeeping changes.

With those remarks, Mr. Speaker, I move second reading of this bill.

On motion, a bill, "An Act To Remove Anomalies And Errors In The Statute Law", read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 43).

MR. OTTENHEIMER:
Order 13. Bill No. 2.

Motion, second reading of a bill,
"An Act To Amend The St. John's
Fire Department Act, 1972". (Bill
No. 2).

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

MS VERGE:
Thank you Mr. Speaker. The
provision of this bill is simply
to clarify in one respect the St.
John's Fire Department Act, that
is to make clear that the position
of Shift Superintendent is an
integral part of management of the
fire department, along with Fire
Chief and Assistant Chief.

Mr. Speaker, a bit of history: It
was not until 1983 that the
position of Shift Superintendent
was added to the hierarchical
structure of the St. John's Fire
Department. Superior to that
position are two ranks, Assistant
Chief, and there are two Assistant
Chiefs, and Fire Chief.
Immediately below the rank of
Shift Superintendent is the
position of Fire Captain.

Mr. Speaker, there are 8 Shift
Superintendents, 26 Fire Captains
below, and, in all, about 300
members of the department. Mr.
Speaker, Shift Superintendents
perform high level managerial and
supervisory functions, and it was
for the very reason of ensuring
that these functions would be
discharged properly that the rank
of Shift Superintendent was added
in 1983. It is essential to make
clear in a technical sense to
confirm the practice that the 8
Shift Superintendents, as well as
the 2 Assistant Chiefs and the
Chief, for a total of 11 members
of the fire department, are indeed
management and not part of the
bargaining unit.

Mr. Speaker, the meaning of this
amendment is simply to clarify the
legal status of Shift
Superintendents to reaffirm
practice since 1983 when the rank
of Shift Superintendent was added,
and to establish beyond doubt that
Shift Superintendents as well as
the Assistant Chiefs and Chief are
management. Thank you, Mr.
Speaker.

MR. FENWICK:
Mr. Speaker.

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

MR. FENWICK:
Mr. Speaker, the minister's
explanation, I think, is a bit too
pat, in the sense that there is a
considerable background -

DR. COLLINS:
A point of order, Mr. Speaker.

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

DR. COLLINS:
Mr. Speaker, at the present time
we are on a government order. The
hon. minister has introduced the
bill. I think this point came
a little while ago, that in order
to give meaning to our Standing
Orders which give certain
privileges to the Opposition
government in regard to
traditional order, it
Opposition to be able to speak
next, and if not the Leader of
Opposition, then his designate.
My understanding is that the
member for Mount Scio -
Island was the designate for
Leader of the Opposition on
particular bill.

To be consistent with a rule

made a little while ago, just the other day, I believe, and as the hon. the member for Mount Scio - Bell Island was in the process of getting to his feet, I would suggest that he should be given the right to speak on this bill.

MR. BARRY:

To that point of order, Mr. Speaker.

MR. SPEAKER:

To that point of order, the hon. the member for Mount Scio - Bell Island.

MR. BARRY:

There are times when Your Honour has difficulty recognizing if there is anybody rising, but I was on my feet, or rising to my feet, before the minister sat down in her seat, being very conscious of the fact that I was speaking on the bill, Your Honour. So I would hope there was no difficulty in that case, in Your Honour observing that. We do have some remarks we wish to make on this bill because of representations which have been made by the Firefighters Association.

MR. FENWICK:

To that point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. FENWICK:

Mr. Speaker, as I understand the rules of order, Standing Order 49, Section 2, the designation of the person to reply to a minister introducing a piece of legislation could be 'the Premier, the Leader of the Opposition, a Minister moving a government order and a member replying thereto immediately after such

minister...' Looking at the Rules of Order it seems clear to us that the rules suggest that it does not necessarily have to be the Leader of the Opposition or his designate, or the critic assigned to it. That is why we would expect that the ruling would indicate that whomever Your Honour recognizes would be the next person to speak.

MR. SPEAKER:

To that point of order, I am quite prepared to rule now. I think the point is well taken. We had this problem some days ago when, by mistake, I recognized somebody else. Actually, today I did notice that the hon. member for Menihek was up before the hon. member for Mount Scio - Bell Island. There was that little time lag, but I think the custom is and the custom has been established that the Leader of the official Opposition does lead off on a government motion.

I was incorrect in recognizing the hon. the member for Menihek. I now recognize the hon. the member for Mount Scio - Bell Island.

MR. BARRY:

Yes, Your Honour. We have a minute. I do not think it is going to take too long, but the point has to be made. If the member for Menihek and others would agree to stop the clock, we could deal with this now.

MR. SPEAKER:

Is it agreed to stop the clock?

MR. FENWICK:

No. No leave, Mr. Speaker.

MR. BARRY:

Very well, Your Honour.

We have a minute and a half. This

is a matter, Your Honour, which involves an objection, a concern raised by the Firefighters Association that there may be an attempt here to get around an arbitration award by abolishing the position of Fire Captain, which was held to be within the collective bargaining unit. There is a copy of a memo that has been sent around by the Fire Chief, directed to all personnel, indicating that, in fact, eight positions of Fire Captains will be abolished. Fire Captains were held to be within the collective bargaining unit by an arbitration award, and there is a concern that this is an attempt for management to get around the arbitration award, which involves a matter of principle which would have to be debated.

I adjourn the debate, Mr. Speaker.

MR. SPEAKER:

The debate has been adjourned by the hon. member for Mount Scio - Bell Island.

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, I move that the House adjourn until tomorrow at three of the clock.

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