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Speaker: Honourable Thomas Lush

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The House met at 9:00 a.m.

MR. SPEAKER (Lush):
Order, please!

MR. HEWLETT:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for Green Bay.

MR. HEWLETT:
I think at this moment it might be appropriate for Your Honour to send a note on behalf of this House to the Soviet authorities on the death of Andre Sakharov. When I went to Memorial University, Mr. Speaker, I studied physics and in the last half of my fifth year I had a free course, so out of curiosity I did a course in Russian. My professor at the time was already a very elderly gentleman who had been a refugee from Lenin's original Russian Revolution.

He pointed out that 'Pravda' was the Russian word for 'truth' and one of the phrases that he drilled into our heads very early in the game was 'Pravda Eta Nye Pravda' truth is not truth. Mr. Sakharov in his country was a pioneer for truth. In the early part of his career he helped build weapons for his country. Then he underwent a change of heart and was a fighter for human rights and democracy, and eventually got the Nobel Prize. With Glasnost and Perestroika, he was elected to the Soviet Parliament and died last night as a people's deputy.

I think it is therefore appropriate that we send words of condolence to the Soviet authorities and I guess it can be put as in the case of our Canadian hero, Terry Fox - the man is dead but the dream lives on.

Thank you.

SOME HON. MEMBERS:
Hear, hear!

MR. WARREN:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for Torngat Mountains.

MR. WARREN:
Mr. Speaker, during the past week Newfoundland lost one of its very valuable public servants in the person of Ralph Andrews a former Deputy Minister of the Government of Newfoundland for a number of years. In fact, Mr. Speaker, in 1967 when I applied for a position with the Government of the day, it was Mr. Ralph Andrews who wisely selected me to begin my career with the Public Service.

SOME HON. MEMBERS:
Hear, hear!

MR. WARREN:
I would call upon the Speaker on behalf of all the Members of this House to send condolences to the family of the late Ralph Andrews.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
Mr. Speaker.

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
Mr. Speaker, it comes as quite a shock to hear that Mr. Andrews died last week.

AN HON. MEMBER:
He was just buried this Wednesday.

PREMIER WELLS:

He was buried this Wednesday. It comes indeed as a great shock to discover that.

Mr. Andrews was a dedicated public servant who I believe gave about thirty-five, thirty-eight years of his life to Government in this Province, not only in the field of social welfare - in the sense that we have come to know those terms - but in the field of education as well. Mr. Andrews has made a terrific contribution that will be a lasting contribution in the form of a couple of books on early education in Newfoundland, and education history as well. He was a fine gentleman, a dedicated public servant, a great Newfoundlander, and, Mr. Speaker, I join with the hon. Member in asking that we send condolences from the House to the family of the late Mr. Andrews.

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

Mr. Speaker, I wish to rise on a point of privilege. This morning I am going to take a few moments of the House to respond to the vicious attack on me personally yesterday by the Minister of Justice where he attacked and maligned me, you would recall, under the guise of a point of privilege. In fact, I was called an alarmist by many Members opposite. The Minister himself has implied or said that he was not aware of any concerns in the legal community over the lack of security for a new court house in Grand Falls. And he also gave the impression, and in fact, said, 'We do not intend to do any more for

Grand Falls than we do elsewhere.' Well, Mr. Speaker, that was exactly my point, they are not doing anything in Grand Falls, they are doing things in other court houses around the Province as I understand it. The Minister said that the example I used with respect to the rifle was exaggerated, indeed, he gave the impression that the issue was not of any concern to my constituents, and that somehow I had conjured up this whole incident. He himself played it down and said, indeed, that I misled the House and gave non-factual information.

Well, Mr. Speaker, I would like to say first of all that I resent that imputation, personally speaking. I think it is unbecoming of the Minister of Justice - the approach and the response he gave yesterday - and grossly unfair. So, to protect myself somewhat, and to indicate that what I asked inside the House and outside the House was indeed very, very credible and not a figment of my imagination, I want to table in the House today a letter dated December 12th addressed to the Minister of Justice, and written by a very concerned legal Member of the Central Newfoundland community. I can assure the Minister as well that it represents the views of many others in that area. And I also know that they do not appreciate the way the Minister has responded to this very important issue, and we hope that on reflection, perhaps he might treat it a bit more seriously and indicate that he will consider placing security at that facility rather than trying to attack me to score some cheap points.

I just want to briefly quote from the letter, which I will table. I

will read the whole letter if he wishes. And I thank the hon. Minister for giving me the permission. The letter is addressed to the Minister dated December 12. 'Dear Sir, the Law Courts, Grand Falls, Newfoundland. A recent alarming and potentially serious incident which occurred at the Provincial building in Grand Falls prompts me to write you. On December 8, 1989, I was representing an individual charged with the breach of the Wildlife Act, and prosecuted by an individual of the Crown Attorney's office.' There is no need of mentioning the individual's name. 'A wildlife officer from the St. Alban's area who was involved in my client's arrest, and who testified at his trial, entered the court room unaccosted with a 22 caliber semi-automatic rifle, an exhibit in the proceedings effecting my client. The rifle was wrapped in a bright red blanket, and the officer commented on how he could enter the building so armed without any enquiries whatsoever from anyone.' And that was precisely the incident that I referred to, and my point. 'Subsequently, court officials remarked that in the new Law Courts, to be open soon, provision was not made for the hiring of a security guard or watchman.' Which was my point. 'And in light of the potential gravity of the circumstances of that date, I ask that you and your officials reconsider your decision. Ours is an adversarial system where tempers and emotions often flair and run high, and the prospect of persons being able to enter court rooms unnoticed and armed is unnerving and should be equally unnerving to judges, prosecutors, court staff, and spectators alike. I would appreciate your

reply.' That was written by a lawyer in the community in Grand Falls.

Now, Mr. Speaker, I want to simply conclude by saying to the Minister, and give him the assurance and this House the assurance that I am not an alarmist. I take my job in representing the views of my constituents quite seriously, I check my facts and, that serious matters that are raised by constituents to me, I treat in a serious manner. All we ask is that the Minister treat his situations, or situations brought to his attention, in a serious and responsible manner as well.

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, frankly, I was horrified by the Member's comments the other day when he raised this first, I have spent a lot of time in courts in this Province and I know what the situation is. I know how they operate and I know how they function and when I now look at the real facts and compare the real facts with the Member's comments, I suggest to the House, Mr. Speaker, that the Member's comments were an atrocious breach of the privileges of this House to raise those kinds of unfounded scaremongering attacks. Now, Mr. Speaker, there was no incident. The Member talked about an incident in Grand Falls. There was no incident. In the routine course of the operation of the courts an officer of the law, a wild life officer, I do not know, he may even have been in uniform, but I will check to find out. He may even have been in uniform. He brought an exhibit into the court in the ordinary course of

the conduct of business. Yet the Member stood in this House and said: a man walked in with a rifle wrapped in a blanket to make a point, which was not true. He did not walk in to make a point. He walked in to bring evidence in the court in the routine operation of court. It is done every week in the courts somewhere in this Province. I have been in courts a number of times and seen weapons, and rifles, and all kinds of other weapons laid on the table and brought in by uniformed officers, wild life officers or policemen. It is the routine normal operations, and the Member made an atrocious representation in this House that there was some reason to be in fear of attending at a court in this Province, and that is unfounded, Mr. Speaker. We do not want, Mr. Speaker, to turn this Province into an armed camp by having armed guards posted in all the court rooms in this Province. Mr. Speaker, the level of security that is necessary from time to time will be maintained. I am satisfied that the security at the Grand Falls court house is exactly the same as the security at all other places in this Province. The Minister of Justice has satisfied me that the level of security at the court house in Grand Falls is no different than the level of security at any other court house in this Province.

MS VERGE:

(Inaudible) Corner Brook.

PREMIER WELLS:

I will check on that too, but I do not accept that comment. I say, Mr. Speaker, there is no basis whatsoever for a point of privilege. The Member's action has been reprehensible and it should be regarded as such by all responsible people.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The Chair is ready to make a ruling. There is no point of privilege. The hon. gentleman took advantage of the occasion to express his view on the matter.

Statements by Ministers

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, I am pleased to have an opportunity today to provide an update on the status of the Hibernia fiscal discussions. In September past a meeting was held in Montreal which was attended by the heads of the four Hibernia Companies along with the Federal and Provincial Ministers. I personally attended that meeting on behalf of the Province, along with our Energy Minister, the hon. Rex Gibbons. At that meeting the parties agreed to a schedule for the balance of the Hibernia negotiations. This process would see the negotiations completed in time for a formal signing by mid-1990.

I am pleased to report that considerable progress has been made in all areas of the negotiations since September. It is also fair to say that it is the view of all the parties at this time that a mid-1990 date for conclusion of the negotiations is realistic and attainable.

At the same time, while there has been considerable progress in all areas of the negotiations, the specific work plan agreed upon has, just in the past three to

four weeks, fallen somewhat behind the schedule that was agreed upon, in certain areas. However, at this stage all parties feel that there is sufficient time available to redesign the schedule on these points, and still conclude the process by mid-1990.

As Premier, I have undertaken to advise the people of this Province of the status of these negotiations from time to time. For that reason, I am informing the general public today that the mid-1990 date for conclusion of the process remains realistic. I also have an obligation to advise the people of the Province that progress in some of the areas under negotiation has not been as rapid as planned. This is not unusual in a set of negotiations so complex and difficult as the negotiations surrounding the Hibernia Project. I am today taking steps to arrange a further high level meeting with Federal Ministers and the Chief Executive Officers of the four Hibernia Companies to allow for a full discussion of the status of the schedule early in the New Year. Hopefully, within the first couple of weeks but that will depend upon the schedule of other people. It is my objective that such a meeting will result in a new schedule being agreed upon that will still allow for a mid-1990 conclusion, but with appropriate modification to some of the intermediate steps in the negotiating process. I intend to advise the people of the Province of the results of that meeting once it has been held.

Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

Mr. Speaker, this is a very strange statement. I do not know why the Premier is bringing in this statement this morning. Maybe it is to try to get around some of the negativity and the bad news that has been hitting this Province. The Premier can screw up his face and cry if he wants to, Mr. Speaker, but I will say exactly what I think this is. This is nothing only a cover-up, Mr. Speaker. You look at the first page of this statement-

PREMIER WELLS:

(Inaudible).

MR. RIDEOUT:

Mr. Speaker, nobody interrupted the Premier, now, if the old rocket thruster over there could be quiet for a few minutes I might be able to say what I want to say and then sit down.

Mr. Speaker, the Premier goes around this Province being too smart by half most of the time, because the first page of this statement tries to give the impression to the people of Newfoundland and Labrador that things are on schedule, things are fine, everything is okay. The real news of this statement, Mr. Speaker, comes in the last two or three sentences. On the second page, the Premier talks about the meeting he is going to try to arrange in the new year in an attempt to get a new schedule. Now, is there a schedule? Is there not a schedule? Are the talks on schedule, or are they not? There is nothing in this statement at all about industrial benefits. Look over, Mr. Speaker, laughing and hollering. The Province is falling down around

his ears and all the Premier can do is laugh at it. There is nothing in this statement at all about industrial benefits, not a word about the new design, not a word about anything, only a statement going out to the people of Newfoundland and Labrador trying to hoodwink them just before Christmas; that this thing is going well when in fact it is not going well at all, Mr. Speaker.

SOME HON. MEMBERS:
Hear, hear!

Oral Questions

MR. WOODFORD:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for Humber Valley.

MR. WOODFORD:
My question, Mr. Speaker, is directed to the Premier. In view of the fact that back in 1966 a contract was signed between Hydro Quebec and the Churchill Falls Corporation, the so-called electric agreement, and in view of the fact that this unconscionable contract, sometimes described as a moral travesty, gives Hydro Quebec windfall profits for the next 65 years, and because it has been reported that Hydro Quebec received approximately \$800 million last year versus \$21.5 million for the Churchill Falls Corporation, almost forty times less than the amount received by Hydro Quebec, would the Premier tell the House if this figure is right?

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
Let me correct a misstatement in the first part of his -

AN HON. MEMBER:
Always a misstatement.

PREMIER WELLS:
There usually is. That is quite right. There is almost always a misstatement.

AN HON. MEMBER:
Anything near the truth is a misstatement for the Premier.

PREMIER WELLS:
The misstatement is the agreement was signed in 1969 not 1966.

AN HON. MEMBER:
So what?

PREMIER WELLS:
I am correcting the misstatement. Know what you are talking about.

AN HON. MEMBER:
The Premier should know.

PREMIER WELLS:
That is right.

It was signed in 1969 not 1966. I was sitting on that side of the House at the time.

MR. RIDEOUT:
Yes, you were.

PREMIER WELLS:
That is right.

AN HON. MEMBER:
(Inaudible).

PREMIER WELLS:
Yes, I was, and so were a number of other Members who have since formed the Tory Government.

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

I am just wondering if hon. Members want an answer to the question. It has been some time the Premier has been up dealing with extraneous questions and not getting to the main question, because of the extraneous questions put to the Premier.

The hon. the Premier, please!

PREMIER WELLS:
Thank you, Mr. Speaker.

Now that the misstatement is cleared up, I do not know whether the figure is correct or not and the reason for it is fairly simple. Who knows exactly what the price of power and what power is sold, because power is the kind of a thing you just dump into a big bathtub and everybody takes out of it. It is safe to say that Quebec makes a massive windfall profit. They have probably gained something between \$500 million and \$800 million, I do not know, but there is no way anybody could point to a specific sale of power by Hydro Quebec to, say, New York State Hydro Authority and say that differential between the Churchill Falls cost and that price of power is the windfall profit that Hydro Quebec gained, because it just goes into the big system and it is taken out. It is hard to tie down the number precisely but it is quite safe to say that Hydro Quebec made a massive windfall profit that they would not have made if they did not have that Churchill Falls power.

MR. SPEAKER:
The hon. the Member for Humber Valley.

MR. WOODFORD:

In view of the fact that the Churchill Falls Corporation holds 66 per cent of the shares and Hydro Quebec holds 34 per cent of the shares, would the Premier tell the House if, when the agreement was signed back in 1969, there was a clause in that contract which states that if there were any maintenance to be done anywhere in the system the Churchill Falls Corporation could do it themselves, or they have the option to go to Hydro Quebec and ask them to do it, but if they do, for every \$1 million Hydro Quebec puts into the maintenance, they would take one share from the Churchill Falls Corporation?

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
It is a classic case of a little knowledge being a dangerous thing. That is not an accurate representation. It is worse than the hon. Member suggests, in fact. The clause in the contract is worse than that. It has nothing to do with maintenance whatsoever. It has been some years since I read in detail that particular clause, but my recollection of it, Mr. Speaker, is that it provides that if CFLCo is unable to meet its financial obligations - it has nothing to do with maintenance as such - if it is unable to meet its financial obligations whatever they are arising under the terms of the trustee to repay the \$700 million that was borrowed plus the other \$300 million under the second trustee - to repay those sums - if they cannot make it and they require further cash, not Churchill Falls but Hydro Quebec has the right - the Government of this Province does not have the right - Hydro Quebec has the right

to advance the additional funds that CFLCo will need to meet its financial obligations and they get in exchange for that not simply one share, they get in exchange for that a debenture acknowledging that they are entitled to the full debt plus interest, and on top of that one share or a number of shares - I have forgotten - but, anyway, shares that will over a period of time have the effect of increasing the ownership of Hydro Quebec in CFLCo to the point where they would be in control of it. That is possible. So it is worse.

MR. RIDEOUT:

That is one area, but also the maintenance thing is another area.

PREMIER WELLS:

I do not know. I would have to look and see.

MR. WARREN:

You should know, you (inaudible).

MR. SPEAKER:

The hon. the Member for Humber Valley.

MR. WOODFORD:

I think if the Premier looked at this clause it includes, I think, a maintenance clause and also the financial lines. Based on this clause, would the Premier tell the House that this agreement would almost certainly guarantee bankruptcy for Churchill Falls Labrador Corporation unless the Province picks up the tab for maintenance, which will be substantial over the next number of years?

PREMIER WELLS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

One of the ways in which the Province could make sure that CFLCo had more funds or had adequate funds available to enable it to meet its financial obligations would be to do the maintenance work and relieve CFLCo of the obligation. So to that extent you could say maintenance, but it has nothing to do with maintenance under the terms of the contract. It could be a technique that the Province could use to get cash into CFLCo in order to avoid Hydro Quebec exercising those rights. I would have to look at it. I have not looked at it from that point of view. But I would have to look at the contract specifically and I will do so and report back to the House.

MR. SPEAKER:

The hon. the Member for Humber Valley.

MR. WOODFORD:

A final supplementary, Mr. Speaker.

Because of this clause, would the Premier agree with me that there is a real possibility that Hydro Quebec could eventually not only have control over the sale of the electricity resource itself but also of Churchill Falls Labrador Corporation, which would give them total control of Churchill Falls itself?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

I guess the hon. Member could not have heard my answer to the last question. I said that is exactly what would happen. That is exactly what could occur.

MR. R. AYLWARD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Kilbride.

MR. R. AYLWARD:

Thank you, Mr. Speaker.

I have a question for the Minister of Works, Services and Transportation (Mr. Gilbert), Mr. Speaker. Would the Minister confirm that the Cabinet has made some final decisions on the demerit point system for drivers in this Province?

MR. SPEAKER:

The hon. the Minister of Works, Services and Transportation.

MR. GILBERT:

Mr. Speaker, Cabinet decisions are not available to this House. When it is implemented, it will be made known. But there is certainly consideration and certainly active consideration of it.

MR. SPEAKER:

The hon. the Member for Kilbride.

MR. R. AYLWARD:

Thank you very much, Mr. Speaker.

I do not know why the hon. Minister is being so secretive about this. I suppose he could inform the people in the Province who are going to be most affected by it, the drivers of the Province. Mr. Speaker, will he tell this House of Assembly the implementation date of the new demerit point system for this Province?

MR. SPEAKER:

The hon. the Minister of Works, Services and Transportation.

MR. GILBERT:

When the information is available I will certainly be telling the public and the Members of the

House, and it will sooner rather than later, I would say. But, as I say, the demerit point system is one of the concerns we have had. The previous Government had it but they did not want to implement it. We are in the process and the public will be duly advised.

MR. SPEAKER:

The hon. the Member for Kilbride.

MR. R. AYLWARD:

Thank you, Mr. Speaker.

Mr. Speaker, will the hon. Minister at least tell the people of this Province that before he implements the demerit point system he will institute an education system so that people of this Province could find out or understand how the system is going to work? When will this education system, if he is going to put it in place, be put in place?

MR. SPEAKER:

The hon. the Minister of Works, Services and Transportation.

MR. GILBERT:

Mr. Speaker, I can assure the hon. Member that if and when the system is implemented, the people of the Province will have ample time to become adjusted to it.

MS VERGE:

How about telling the whole truth and nothing but the truth?

MR. SPEAKER:

Order, please!

I would like to remind hon. Members that it is not proper for hon. Members to suggest that somebody is doing other than precisely telling the truth.

MR. MATTHEWS:

It was said the other day by the

Premier.

MR. RIDEOUT:

Now, Mr. Speaker, the Premier said that just two days ago.

MR. SPEAKER:

The Speaker is making a statement to all hon. Members.

MR. SPEAKER:

The hon. the Member for Kilbride.

MR. R. AYLWARD:

Thank you very much, Mr. Speaker.

I do not think I inferred that the hon. Minister was not telling the truth, Mr. Speaker. I am sure I did not infer that.

If the hon. Minister will not inform the people of this Province of the implementation date, Mr. Speaker, I will inform them, because the Minister is having this brochure printed up in Printing Services right now. The effective date, Mr. Speaker, will be June 1, 1990.

Now, Mr. Speaker, I ask the Minister once again, will he tell the people if there are final decisions being made? When will the education program be put into effect so that people can understand this, Mr. Speaker? And maybe for the information of Members of this House and their own education I will table this printed pamphlet.

MR. SPEAKER:

The hon. the Minister of Works, Services and Transportation.

MR. GILBERT:

Mr. Speaker, as I have said, there is certainly active consideration, and we will be informing the people when the program is formulated.

MR. PARSONS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for St. John's East Extern.

MR. PARSONS:

Thank you, Mr. Speaker.

My question is to the President of Treasury Board.

Has the President of Treasury Board made a decision as to whether or not he will abolish the School Tax Authorities in this Province?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

The answer, Mr. Speaker, is quite simply no. I do not have the power nor the authority to do it.

MR. SPEAKER:

The hon. the Member for St. John's East Extern.

MR. PARSONS:

Mr. Speaker, I know he does not have the power himself, but I do know he has had negotiations pertaining to that abolishment.

In light of that, Mr. Speaker, does the President of Treasury Board agree that the school tax contribution of \$30 million is a worthwhile contribution to the educational system of this Province?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

I am not sure what negotiations the hon. Member is referring to.

I can assure him that I have not had any negotiations with anybody to try to negotiate an end to the School Tax Authorities.

MR. PARSONS:

Discussions, then. Discussions.

MR. BAKER:

That is absolutely true. I have had no negotiations.

MR. PARSONS:

Discussions.

MR. BAKER:

Discussions? Oh!

Over the past number of years I have had discussions with school board members, with School Tax Authority people, and so on, about the school tax.

AN HON. MEMBER:

Recently. About last week.

MR. BAKER:

I would not be doing my job if I did not.

With regard to the second part of his question, a contribution of \$28 million to education in this Province is obviously significant. We have a commitment to increase funding to education in this Province, and to put a greater stress on educational funding in this Province.

MR. SPEAKER:

The hon. the Member for St. John's East Extern.

MR. PARSONS:

Thank you, Mr. Speaker.

I am led to believe that one scenario is to equalize, in light of what the President of Treasury Board has said, which would mean a drop of income to the St. John's

and other large school boards of up to 60 per cent of their present income. Is it also his intention to shift the burden of taxation to the local municipalities who would be forced by the reduction in grants to collect not \$30 million but upwards to \$45 million from local residents to offset the monies derived by the School Tax Authorities? In other words, Mr. Speaker, would he abolish the School Tax Authorities and fully fund education at the Municipal level.

MR. SPEAKER:

The hon. The President of Treasury Board.

MR. BAKER:

Thank you, Mr. Speaker.

Educational funding is obviously a concern of ours. No decision has been made at this point with regard to School Tax Authorities. It has been considered for a long time, and I am not sure when a decision will be made. But I would like to say to the hon. Member that scare tactics are being used, an indication in the hon. Member's statement about putting the burden off on the Municipalities, and hon. Members have been making statements about income tax going up 8 or 9 per cent and all this kind of thing. I can say to the hon. Member that to properly fund education in this Province and to provide equal opportunity in education in this Province for all our residents will certainly cost a lot more than \$28 million dollars, yes.

MR. SPEAKER:

The hon. the Member for St. John's East Extern.

MR. PARSONS:

A final supplementary, Mr.

Speaker. Then would you agree because of the uncertainties out there, because of the non-action by this Government, that revenues have been reduced considerably that are going into the School Tax Authorities?

MR. SPEAKER:

The hon. the Minister of Education.

DR. WARREN:

Mr. Speaker, I am pleased to inform the Member that people are paying their tax - it is a tax - all the monies are coming in and there has been no substantial decrease in the collections this year, I have been informed by some of my officials.

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. The Opposition House Leader.

MR. SIMMS:

Thank you, Mr. Speaker.

I have a question for the President of Treasury Board. Back in October, October 1st in fact, in an Evening Telegram story, the Minister as Government House Leader was referring to legislation the Government intended to bring into this House - this is nearly three months ago now - and he said that the Government hoped to bring in Labour legislation, specifically the well-known Bill 59 changes, and indeed, he said, substantial changes to Labour legislation would be included in the Bills expected to be dealt with by the House. Since the President of NAPE has said in a letter, dated November 16th, to his colleague, the Minister of Employment and Labour Relations, that if the

recommendations of the Review Committee are implemented in legislation public sector labour relations will be severely impacted, can I ask the Minister when it is his intention to bring in this legislation, where it is and when it will be brought before the House?

MR. SPEAKER:

The hon. The President of Treasury Board.

MR. BAKER:

The Opposition House Leader, is perfectly correct in his statement about what I have said to the media. There will be Labour legislation brought to the House. It is not quite ready yet, it is in draft form and decisions have to be made on it. I do not think it is possible to get it during the next week, but I am hoping that sometime early in January that legislation will be ready to go before the Legislative Review Committee. With regard to the correspondence between the President of NAPE and the Minister of Employment and Labour Relations, I am aware of the concerns of NAPE, I have had discussions with NAPE on this very point during the last three or four days, as a matter of fact, and I can assure the hon. Member that the legislation that is brought in will be properly handled, everybody will be properly informed, the proper notices will be given, and everybody will have an opportunity to have input. Up to this point there has been a tremendous amount of input, I should add, and there will be more direct input from people who are obviously directly affected.

MR. SPEAKER:

The hon. The Opposition House

Leader.

MR. SIMMS:

Thank you, Mr. Speaker.

A supplementary. It is interesting to hear the Minister say up to this point there has been a tremendous amount of input. In the same news story that I referred to the Minister also said that there had been quite a lot of discussion between the Government and the public sector unions to reach agreement on this legislation. Can he explain then, since he says he is aware of the correspondence to his colleague, the Minister of Employment and Labour Relations, what the President of NAPE, the Province's largest public sector union, means when he said in that same letter - and this is the middle of November - I remind you that the new Liberal Government has not had one minutes consultation concerning any new legislation with NAPE to date? Who is right and who is wrong?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

We have correspondence going back and forth. I suppose if the hon. Member wants to ask Fraser March what he means by that, he can ask Fraser March what he means by that. In actual fact, I have a copy of that. I do not need to see the letter, I know it almost by heart. I would inform the hon. Member that a Member of NAPE was on the committee, and has been reviewing the legislation. Allan Carter, a very prominent member of NAPE, has been in on the process right from day one, has taken part in the process and -

AN HON. MEMBER:
(Inaudible).

MR. BAKER:

No, this was a representative of the Newfoundland Federation of Labour who went to NAPE and said, 'Okay, do you want one of your members to be a representative on that board, representing the Federation of Labour?' It might be a semantic argument the hon. gentleman wants to get into, but in actual fact there has been input, and everybody has been informed every step of the way.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

A final supplementary, Mr. Speaker. All I have done is state the facts as I always do, by the way. This is what was quoted -

SOME HON. MEMBERS:

Oh, oh!

MR. SIMMS:

- and the truth. Members opposite need not try to gang up on me on this one. This is a fact, it is in the letter, and the President of NAPE said that he has not had one minutes consultation. I asked the Minister to explain why he would make that kind of a statement.

Now, Mr. Speaker, my supplementary is this, is the Minister aware also that the President of NAPE said in that same letter, 'to make sure there is a clear and truthful record, I want to note that there was consultation between NAPE and the previous Conservative Government, and that there is a commitment in the MOA to have meaningful discussion'? As the President of NAPE says in his

letter, 'Because of the manner in which the Government is manipulating the development of new legislation' - that is his quote not mine - I want to ask the Minister to give an assurance and a commitment to listen to the concerns of the Province's largest public sector union, NAPE, before any new labour legislation affecting the private sector is finalized or developed.

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

Thank you, Mr. Speaker.

I do not have to give that assurance to the hon. Member. I have already given it to the President of NAPE a few days ago, and he is satisfied that NAPE will have direct input into the process. In commenting on the lead-in of the hon. Member, I would assure him that what he said today is accurate, but when the hon. Member waves a document around as he has done in the past, you cannot always assume that he is quoting correctly from that document.

MR. SIMMS:

The hon. the Opposition House Leader.

MR. SIMMS:

Just to make sure that it is the document, I will table it.

MR. HEARN:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for St. Mary's - The Capes.

MR. HEARN:

Thank you, Mr. Speaker.

Ever since this Government has taken power we have constantly been hearing them berate the private sector programs that were instituted by the former Government. This attack has been led by the Minister of Employment and Labour relations who is not here today, so in her absence I ask the Premier if it is factual now, can he confirm, that a consulting firm has been hired to survey employers and employees in relation to the Student Graduate Employment Program and the Occupational Integration Program for Women?

MR. BAKER:

Mr. Speaker.

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

Thank you, Mr. Speaker.

There is a review going on in Government in a variety of Departments in terms of the structure associated with the reorganization of Government. This is happening in the Department of Labour, it is happening in the Department of Development, and we obviously, as proper managers in Government, have to ensure that the structures which are in place are proper structures and operating properly. This is a normal part of the process. Certainly, we are looking at the structure of a lot of Government Departments.

MR. SPEAKER:

The hon. the Member for St. Mary's - The Capes.

MR. HEARN:

Mr. Speaker, I ask the Minister, then, would he tell us the terms

of reference of the private consulting firm, the amount of money being paid the firm to do the job, and whether or not that project went out on tender?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

I do not have the exact figures, Mr. Speaker, with regard to the tender and the amounts. I am assuming that it is somewhere between \$20,000 and \$30,000. The one he is referring to is not an exhaustive study of the whole Department, it is to look at, I believe, the structure of part of Occupational Health and Safety, where a fair number of employees of that Department are located. So I think it is in the vicinity of \$20,000 or \$30,000. I think the firms probably were contacted. A public tender was not called, no.

MR. SPEAKER:

The hon. the Member for St. Mary's - The Capes.

MR. HEARN:

Mr. Speaker, I am not sure whether the Member is 100 - perhaps he is not, not being the Minister, and that is why I wish she were here. But the study I am talking about basically is a survey being done of employers and employees who were involved in the Private Sector Programs I mentioned, I presume to get the reaction so that the Government can reinstitute the good programs that we had in the past. What I would like to ask him is if they are paying a firm a significant amount of money to do the job, why is all the work being done by employees of the Minister's Department?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

Yes, the Member's first question I assumed was a little bit confused, in the sense that he talked about occupational health and safety and then he talked about -

MR. HEARN:

No, the Occupational Integration Program for Women.

MR. BAKER:

Well, okay. I will look into what the hon. Member is asking and I will give him an answer at the earliest possible opportunity. I assume that probably a great deal of soul-searching has gone on anyway with regard to the Private Sector Program and some other programs, and we obviously would look at it. But I will give him a fuller answer as soon as I get the information.

MR. HEARN:

(Inaudible).

MR. BAKER:

Monday.

MR. WINSOR:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Fogo.

MR. WINSOR:

Thank you, Mr. Speaker.

My question is to the Minister of Fisheries (Mr. Carter), but in his absence I will ask the Premier. About a year and a half or so ago the Province began a debt restructuring with the Fisheries Loan Board for fishermen in the Province who had suffered two or three bad years in the fishery.

Unfortunately, when the program was implemented there seemed to be a discrepancy between the fishermen who had loans with FLB and those at the bank. Last June or thereabout, the Premier, I think, along with the Minister of Fisheries, met some fishermen with respect to possibly having their loans restructured. Has the Minister reviewed the cases? Is he now ready to inform the fishermen of the results?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Let me indicate that it did not seem that there were some discrepancy, it was an example of the former Governments misadministration of a program where they provided help for one group and excluded others in what, I think, is a quite unfair way.

We have undertaken, I know, to review that matter. I do not know where it now stands, but I will get the information and bring it back to the House, Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Fogo.

MR. WINSOR:

Thank you, Mr. Speaker.

Could the Premier now tell this House if the fairness and balance that he talks about so much will be applied, and will this Administration take the necessary steps if there was a wrong to correct it?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, we are dedicated to trying to correct the immense

amount of unfairness and imbalance that the former Government left behind, and that is one of the areas where we are doing some work on it. I just do not know exactly where that particular item now stands, so I cannot give him the specifics of it. But I will get the information and bring it back to the House.

MS VERGE:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Humber East, one minute.

MS VERGE:

Thank you, Mr. Speaker.

I have a question for the Minister responsible for the Status of Women. Perhaps he can take his seat again and answer it. In two and a half weeks time, at the end of the year, the terms of appointment of the President and Vice-President and three Members of the Provincial Advisory Council on the Status of Women expires. My question is what plans does the Government have to reappoint or appoint members to the Advisory Council to ensure there is a continuity of the excellent work of the Council on behalf of the women of the Province?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

Thank you, Mr. Speaker.

I have received suggestions from all Members of the House with regard to appointments to the Status of Women Advisory Council. The appointments that expire expire at different times, but all over a period of a couple of

months, it seems to me in recollection.

MS VERGE:

There are five at the end of the year.

MR. BAKER:

Yes, at the end of the year there are five, certainly. From a month ago until the end of the year, there are six others, so that all of them, eleven, within a couple of months period expire.

MS VERGE:

Six were just appointed, Five expire in two and a half weeks time.

MR. BAKER:

Yes. And when decisions are made as to what people are going to be appointed an announcement will be made, and I can assure the hon. Member that allowance will be made for a number of things. First of all, allowance will be made for continuity. There are some members right now who have been on the board for nine years, some for six, and the rest of them for three, and that kind of continuity will still exist on the new board. Regional representation will be taken into account. I can assure the hon. Member, as well, that I believe the function of that board is to present a feminist viewpoint, and that will still exist.

MR. SPEAKER:

Question Period has expired.

On behalf of hon. Members, the Chair would like to welcome to the House of Assembly today fifty-two Level II students from Ascension Collegiate, Bay Roberts, accompanied by their teachers, Mr. Ed Knee and Mr. Claude Taylor.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The Chair would like to comment, again, on a point or two arising out of Question Period, not necessarily this Question Period, but, this Question Period brings it to mind. The Chair would like to remind all hon. Members of our own Standing Orders, Clause 31 (f) which says, "The Speaker's rulings relating to oral questions are not debatable or subject to appeal."

I find that some hon. Members very often question the decision, from their chairs, when His Honour makes a ruling, particularly in Question Period, and I want to remind hon. Members that this particular Speaker considers that to be an insult and effrontery, and it will not be tolerated. I want to also ask hon. Members to pay attention, and when the Chair makes a decision, to understand precisely what that decision is. Today, the Chair mentioned that Members should not question the accuracy, or the veracity of a Member's answer or a Member's question. All hon. Members in this House are honourable and ought to be telling the truth, and I find too much suggestion that hon. Members might not be dealing with the truth and using language through the back door, and hon. Members know we ought not to do that. I point out again, that all hon. Members are honourable and we are only supposed to be engaged in the truth. I again quote Beauchesne, 409 (7) which says, "A question must adhere to the proprieties of the House, in terms of inferences, imputing motives or casting aspersions upon persons within the House or out of it." Of course, we can make the same ruling about answers. I want to say again, that today when I made

reference to that fact of questioning the accuracy and the veracity of a statement, or suggesting that it is not correct, that somebody said, what about the Premier? Now, I want to say that the job of the Speaker is to maintain decorum and order and that means calling to order all fifty-one Members, and this Chair proposes to do that, the Premier included. I think if I did not do that the Premier himself would be offended, and if hon. Members find that they have a reason to believe that that is not so, then there is a proper place to do that and not by making snide remarks from seats. I want also to say that I do not know to which incident hon. Members were referring when they said that the Premier had said it. I am assuming it was about a ruling that the Chair made previously and ought to be settled. I maybe wrong, but the statement made, as I take it, was to tell the truth and the whole truth. The ruling that I made a couple of days ago on that matter was that the Premier was responding to a statement that was made to tell the truth and the Premier was talking about the oath to tell the truth and the whole truth, and was elucidating and elaborating upon what that meant. So I wish hon. Members would listen, because they are taking things out of context. In one incident to tell the truth and the whole truth might not be ruled unparliamentary and cannot be taken to mean that for all time a Member can never mention to tell the truth and the whole truth. It has to be within the context and I wish hon. Members would listen. I want hon. Members again to understand the importance of our own rulings which say that, the decisions of the Speaker related to Oral Questions are not

debatable, and this Speaker intends to enforce that rule rather vigorously.

Thank you.

SOME HON. MEMBERS:

Hear, hear!

Petitions

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

I would like to take this opportunity to present a petition to this hon. House on behalf of 755 petitioners. I would like your indulgence to read the prayer of the petition:

To the Honourable House of Assembly, Newfoundland Legislative Session convened, the petition of the undersigned who are employees of and other persons affected by the closure of Eastern Shipbuilders Limited of South River, Newfoundland that:

WHEREAS Eastern Shipbuilders Limited of South River, Newfoundland has been closed as a direct result of the moratorium placed on the construction of 65 foot long-liner vessels by the Fisheries Loan Board of the Department of Fisheries of the Government of Newfoundland and Labrador; and

WHEREAS there are two sister vessels of the 'Shelby Ann' constructed by Eastern Shipbuilders presently in operation; and

WHEREAS there being no design or

technical difficulties demonstrated in vessels constructed by Eastern Shipbuilders Limited presently in use; and

WHEREAS experts in various marine disciplines have certified the design of these vessels; and

WHEREAS several new orders for vessels has been placed with Eastern Shipbuilders Limited demonstrating the health of the market for this Company's product; and

WHEREAS thirty-five workers have been directly affected by the closure of Eastern Shipbuilders Limited and are presently unemployed;

WHEREFORE your petitioners humbly pray that your humble House of Assembly may be pleased to direct the Fisheries Loan Board to immediately remove the moratorium on the construction of 65 foot longliner vessels, such that Eastern Shipbuilders Limited will be able to resume construction activity.

That, Mr. Speaker, is the prayer of the petition. As I said at the outset signed by 755 people, which is quite a significant number of people who have a concern about this particular matter.

Now, Mr. Speaker, Eastern Shipbuilders Limited and the issue surrounding Eastern Shipbuilders Limited is a very, very familiar situation with Members both inside this House of Assembly and to people of the Province. And I am sure more so to the employees and people directly affected by that particular industry which has been closed by the actions of the moratorium place on the building

of 65 foot longliners.

Of course there has been all kinds of suspicion over the last few weeks, Mr. Speaker, as to why that particular moratorium was placed or that action taken by the Fisheries Loan Board. The action, I guess, was to try to bring it to the public attention to be clearly opened up and discussed and so on. So I think, Mr. Speaker, it is very disturbing and disconcerting really that we can see actions taken for whatever reasons by an agency of the Provincial Government that would throw thirty-five employees out of work and, of course, not only are these people, the direct employees, thrown out of work, but spinoff industries in the community and surrounding communities are very negatively affected.

So, we on this side, Mr. Speaker, join with the 755 petitioners in asking this House of Assembly to ask the Fisheries Loan Board to immediately lift the moratorium on the construction of 65-foot longliners so that this business and these employees can get back to work and go on making a decent living in this Province.

SOME HON. MEMBERS:

Hear, hear!

MR. EFFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Social Services.

MR. EFFORD:

Thank you, Mr. Speaker.

Mr. Speaker, being in the position that I am as the representative of the District of Port de Grave, I

would like to say very clearly that I will speak in support of the petition, at least, the main intent of the petition, to get the thirty-five people who worked at Eastern Shipbuilders back to work, even though there is some reluctance in my own mind, considering the way the person involved in this matter acted against me. But that is not the issue I should be speaking to in the House of Assembly with respect to the people of Port de Grave District and any particular company. Because, in the early stages of Eastern Shipbuilders opening in South River after its former bankruptcy, I was the one person who, as the former Minister of Fisheries, now the Leader of the Opposition, and the members of the Loan Board know, supported it and made many trips back and forth to meetings with the Fisheries Loan Board to enable it to reopen after it had got into some financial difficulty that forced it to close.

Now there are some inaccuracies in that petition and I am surprised that the Member for Grand Bank really did not do a thorough search of the inaccuracies and present it accurately to the House of Assembly. One of the inaccuracies is that the Fisheries Loan Board has not put a moratorium on 65-foot longliners. That is very, very untrue. It is not actual fact. Sixty-five foot longliners, or sixty-four foot, eleven and one-half inch longliners, to be exact, are being built all over the Province of Newfoundland and Labrador, wooden vessels, steel vessels and fibreglass vessels.

There is a particular discrepancy which concerns the Fisheries Loan Board with respect to the new

design that was constructed by Eastern Shipbuilders. It is presently before the courts of Newfoundland and Labrador and agencies are investigating to determine if the construction of that particular vessel will make it seaworthy. When that decision is made by the courts of Newfoundland and Labrador, and if the stability of that vessel is proven and it is seaworthy then, I am sure the Fisheries Loan Board will reinstate that particular type of design. But when boats costing up to \$800,000 and \$1,000,000 come under question, it would be irresponsible for the Fisheries Loan Board or the Department of Fisheries, or any Government of Newfoundland or Government of Canada to continue with that particular type of vessel.

Now, if, for argument sake, this company, Eastern Shipbuilders in South River, get back to work employing the people - which I hope they will - start to build a conventional-type longliner, a fibreglass longliner or any other type of boat of which the design and stability have been approved, then they would put their people back to work.

Secondly, neither did the Fisheries Loan Board nor the Government of Newfoundland and Labrador place Eastern Shipbuilders in bankruptcy. The Bank of Montreal, or the bank they were dealing with and not paying their bills is the bank - it has nothing to do with Government. I would put thirty-five people or thirty-five hundred people to work tomorrow, as would this Government, in the District of Port de Grave or anywhere in Newfoundland if we had the means, or if it were our concern, or if

the work having been stopped were our fault, but it has nothing to do with Government. It is before the courts, and the banks closed it up because of financial problems with the company. It has nothing to do with the Loan Board, and it is a total misrepresentation to this hon. House of Assembly for any Member of this House or anybody else to suggest that.

What happened between me and the individual is of no concern and has nothing to do with the place going out of business or any jobs being lost. It is a problem with a particular design. The courts of this Province, Mr. Speaker, will decide, and when they have done so, if their decision is in favour of Eastern Shipbuilders, they will continue to build that boat. If it goes against, then they will not be allowed to build the boat and they can go on to build other boats, as they can now, Mr. Speaker.

MR. SPEAKER:

The hon. Member's time has expired.

MR. EFFORD:

Thank you, Mr. Speaker.

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Mr. Speaker, it is nothing short of unconscionable that the Member who just took his seat -

MR. EFFORD:

Come on, tell the truth now.

MR. RIDEOUT:

I did not interrupt the Member, Mr. Speaker, to start with.

MR. SPEAKER:

Order, please!

MR. RIDEOUT:

Now, if you want to be snarky here this morning, I did not interrupt the Member. It is nothing short of unconscionable, Mr. Speaker, that that hon. gentlemen would stand in this House, and in essence, accuse 755 people who signed that petition, of misleading and lying to this House. That in essence is what the hon. gentleman has done.

Mr. Speaker, there are 755 people who signed that petition. Eastern Shipbuilders is in bankruptcy today because of the actions of the hon. gentleman, Mr. Speaker. That is the fact. The hon. gentleman, Mr. Speaker, by his representations to the Fisheries Loan Board made sure that Eastern Shipbuilders went out of business and went in bankruptcy, and that hangs around the hon. gentleman's neck, Mr. Speaker. That is the fact of the matter.

Now, Mr. Speaker, the stability and the design of those vessels have never been in question except by the hon. gentleman and his brother. That is who questioned the design and stability of those vessels. The Canadian Coast Guard have given it their approval. The Naval Architects have given it their approval. The only people who have not given their approval, Mr. Speaker, is the hon. gentleman, his brother, and his family. And that is what needs to be said, Mr. Speaker. The fool is on the other side, and the people who have been fooled are the 35 people out in his District, Mr.

Speaker. There is not one other Member that I know of who ever took a seat in this House would deliberately put a business out of business, and people out of work in his District except that Member, Mr. Speaker. It is unbelievable. I have never seen the likes of it before, Mr. Speaker. And to say that the construction of this type of vessel will go ahead if the courts say it is okay. Mr. Speaker, what balderdash, what foolishness.

Mr. Speaker, there are two of those vessels out sailing the ocean today working well, Mr. Speaker. Why is not the vessel that the hon. gentleman is concerned about working well, Mr. Speaker?

AN HON. MEMBER:

(Inaudible).

MR. RIDEOUT:

I did not interrupt the hon. gentleman. I asked him to keep quiet. If he cannot stand -

MR. SPEAKER:

Order, please!

AN HON. MEMBER:

(Inaudible).

MR. RIDEOUT:

Oh! I am telling a lie? Now, Mr. Speaker, I guess the Speaker will take over.

MR. SPEAKER:

Order, please!

I ask the hon. gentleman to my left, please, to listen to the Leader of the Opposition as he did to him. The ruling still applies that the Speaker made about telling the truth, and I ask the hon. gentleman, please, to refrain from using that phrase. I will

comment about this after because I do not want to take up the time of the hon. gentleman.

MR. RIDEOUT:

And another misrepresentation, Mr. Speaker, is the hon. gentleman tried to leave the impression with this House that the Loan Board has not moved to effect the operations of this particular business. They have, Mr. Speaker. They have frozen loan activity to that ship yard. They have made sure that the owner of that yard cannot get the payments that he is owed for, Mr. Speaker, on the three vessels almost completed out in the shed now. That company is in bankruptcy because of the negligence and the action of the gentleman from Port de Grave (Mr. Efford). And if he had any common decency, Mr. Speaker, he would not only resign from the Cabinet, but resign from the House.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

I want to make a comment, again, with respect to comments that I made after Question Period, that obviously when we are talking about the word truth, we are not saying we cannot use that word in the House. The Chair has to be guided by the tone and by the context in which it is said. I can only say that the Chair is not going to tolerate expressions which suggest that an hon. Member is telling a lie, and the Chair will have to intervene. I want hon. Members to understand that every time the word truth is uttered does not mean the Chair is going to rise, but the Chair is not going to tolerate suggestions that any Member from any side of the House is doing anything but telling the truth.

Orders of the Day

MR. BAKER:

Order 23, Mr. Speaker.

Motion, second reading of a Bill,
"An Act To Amend The Electrical
Power Control Act." (Bill No. 54).

MR. HEWLETT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Green Bay.

MR. HEWLETT:

Thank you, Mr. Speaker.

I will have but a few brief comments on this this morning, because I think the matter was adequately dealt with late yesterday afternoon in the Late Show. Suffice it to say that this particular bill was introduced, as I indicated last night, in a rather casual manner by the Minister of Energy (Dr. Gibbons), indicating he was merely implementing a section of the Budget Speech, but the bottom line on the implementation is a cancellation of a subsidy provided by the Minister of Finance and having that provided by the ratepayers of the Province as a whole.

The bottom line on the cancellation of the subsidy, I guess, is that - and the Minister and his Hydro officials have indicated this is so - there will be a 10 per cent power increase over the next few years relating to that particular thing alone, and, as I indicated, given inflationary factors and the new federal GST, we could over the next three or four years see probably a one-third increase in power rates throughout the

Province.

In response to the mini-debate yesterday afternoon the Minister of Health (Mr. Decker) spoke for the Government side and indicated that in making some negative comments on this Bill I was somehow not looking out for the interests of my constituents who are under the rural electrification area, in particular the residents of the community of Little Bay Islands.

This Bill was not about what the Minister said it was about, Mr. Speaker. The Government did bring in an improvement in their Budget Speech wherein they said that the threshold for equality of electrical rates was raised from 600 kilowatt hours a month to 700 kilowatt hours a month, and for that they are to be commended, but the Government still has a policy that if you go over 700 in those particular rural areas, like Little Bay Islands, you still have to pay a higher rate. Now this Government, if it was going to get into radical reforms of the electrical power rate situation in this Province, they could have eliminated totally the notion of a threshold and brought in either a policy change or a bill - I am not sure which would be needed - to indicate that all people in all areas would have the same electrical rates, and this they did not do.

The Minister tried to paint me as sort of being against the constituents I have on an island community that is fed with diesel power.

So the bill in question does not equalize power rates throughout the Province. A policy statement in the Budget Speech did bring

about an improvement, but a modest improvement on an already existing PC policy. Having said that, Mr. Speaker, I have no further comments. Thank you.

MR. SPEAKER:

If the Minister speaks, he will close the debate.

MR. SIMMS:

No, Mr. Speaker. I believe the Member for Humber Valley wants to have a few words on Bill No. 54.

MR. SPEAKER:

The hon. the Member for Humber Valley.

MR. WOODFORD:

I am sorry, Mr. Speaker.

I would like to make a few comments on the Bill. It went through Committee I think a couple of days ago, on a Wednesday, and I would like to echo some of the comments made by the previous speaker, the Member for Green Bay.

In the Budget Speech it was stated that the Government was dropping the subsidies which I think amounted to some \$32 million over a two year period, some \$20 million for the balance of 1989, and I think it is \$10 million to \$12 million - no, \$10 million up until April of 1990, and to do away with the PDD system in the Province, that is the Power Distribution system into which the subsidies went.

The Minister is not here, so maybe the President of Treasury Board when he closes the debate on the Bill would refer to the one clause that bothered me when I saw it, which is the clause on recovery, clause 4 (3), 'The Public Utilities Board shall include in the rates recommended for

retailers, the costs under section 4.1 including amounts deferred from prior years, notwithstanding'.

AN HON. MEMBER:

4.3.

MR. WOODFORD:

I think the explanation may be for that, I do not know, but you can clarify it. Where they are recovering the rates for 1989 - maybe just recovering the \$20 million dollars for 1989, I do not know. You can probably explain that to me, whereby the \$10 million will be recovered in the first part of 1990, under that recovery clause. Because if you look at the first section of the Bill, under Explanatory Notes, (b) says 'to provide for the recovery of past losses.' That is pretty general and, I thought, very dangerous. It could go back any number of years. It is under Explanatory Notes.

In any case, that was one of the biggest concerns I had, and that would then be what I would refer to as retroactive legislation, really. But if that is not the case, I am sure the Member can explain it when he does get up. I would say it is probably with reference to 1989, when it comes to the meaning of recovery.

Newfoundland Hydro has stated that they will have to go to the PUB by June, and I believe the Minister stated in the House this week that they will probably be going in March, something like March 26th, for rate increases. The rate increases as stated by officials of Newfoundland Hydro, they said they would probably bring it in over the next five years or so; the Minister stated in the House here a couple of days ago, I think it was Wednesday of this week,

that possibly it would take five to seven years to recover the monies. We do not know what the rate increase will be. If the rate increase request does go in March of 1990, it will not be held up because of the other Bill on the appointment of the Public Utilities Board; it will not be held up, because the other Board is in place anyway until the new one is appointed. So that will not be a concern.

Another thing I would like to refer to is the increase. This increase will mean approximately 10 per cent on the light bills of the consumer in this Province over the next five years. There is some debate whether it is five years or seven - at least five according to the officials of Newfoundland Hydro - and, as I said, that is debatable. But that is just coming out of the \$30 million dollars that was the subsidies that went to the PDD system in previous years, and the latter part of 1989 and the first part of 1990. In order to recover that it would take ten per cent. On top of that, if I am not mistaken, there is a request in now by Newfoundland Light and Power for another power increase as well, the percentage I just cannot recall. On top of that there is the inflation rate, for instance, of 4 per cent. That is there anyway; that is an annual thing they take into consideration when they go for a rate increase. So that will be added to it. So it is not inconceivable at all that within the five years that increase could be one-third of what the total cost is today. Granted, as I said, the inflation rate will drive it by at least 4 per cent, but the subsidy is being knocked of, then the recovery, the rate increase for Newfoundland

Hydro - I never thought about that one. that will have to go on top of it - and then the rate increase requested by Newfoundland Light. So it is going to be substantial in any case.

AN HON. MEMBER:

And add the GST.

MR. WOODFORD:

And the GST tax. That is right. The GST tax which, as far as I am concerned -

AN HON. MEMBER:

The Tory Budget in Ottawa.

MR. WOODFORD:

The Tory Budget in Ottawa. I do not take a backseat to the Tory Budget in Ottawa. If that comes down it brings down the GST, and I am one here who just does not agree with it, period. Whether it is nine or whether it is seven, I do not agree with it. And there are certain parts -

AN HON. MEMBER:

(Inaudible).

MR. WOODFORD:

Yes, something should be done about the manufacturers tax. I agree something should be done, but do it in a way that it is not going to be on the backs of the consumers of this Province, like the \$30 million dollar subsidies that were taken away by the Provincial Government in last year's Budget. So all those things add up to what I cannot see being less than one-third. But, anyway, that is a hypothetical thing. The only thing that is factual is the fact that it is going to be at least 10 per cent, because that was admitted by Government and by Newfoundland Hydro officials, and also the fact that there will be increases

sought by Newfoundland Light and Power over the next number of months, plus the inflation rate.

The other thing is the question I asked the Premier this morning. I would just like to make comparisons and draw some attention to the monies we are losing and some of the examples of where we just cannot seem to get ahead, someone else is controlling our destiny, someone else is responsible for the resources. And not only that, it is bad enough for a company to come into this Province, a mining company, and go into a community, rape the resources from that community, it is gone, it is not renewable, and once they are gone they are gone, out with you, finished. But when you are talking about a renewable resource such as our electricity, such as our electrical power as I mentioned this morning, it is a moral travesty on this Province.

As an example \$800 million or something last year went to Hydro Quebec. I know it was done in the past and we know who did it, but still it comes back to haunt us all. \$21.5 million for this Province for one year versus over \$800 million for the Province of Quebec, one of the richest provinces in this country today next to Ontario, or they are probably just about equal. For the sale of electricity they can charge whatever rate they like to the US Eastern Seaboard or Ontario. They can put it up tomorrow morning, but we are tied into a mil rate that cannot change. In fact, as the Premier said this morning, he admitted to it and I give him credit for it, on the maintenance contract and the financial one, it goes down as the years go on. We have sixty-five years to look at, up to

2041 if I am not mistaken - I might be right on that date. I was wrong on the 1966 one this morning, but right on the year 2041. In any case, it goes down. With the mil rate going down, the little bit of pittance we are getting, the \$21.5 million last year, naturally goes down every year. But as we all know, it is like driving a car or anything else, as it gets older the maintenance costs get higher. So every year the maintenance costs on that system is getting higher and higher and our revenues are getting lower. So, as far as I am concerned, it is just adding insult to injury. But just imagine what we could do if we could touch some of that \$21.5 million and Newfoundland Hydro could tap into it. We cannot do it. \$21.5 million would not even cover the subsidies for one year going to the PDD systems in this Province, not one year. It is done, but I suppose from that kind of an act we can all learn, we can all learn never to do something like that again that is going to hurt this Province in the future.

The only other thing I would like to mention, and I said it at the beginning is that I would like the Minister when he gets up to close the debate to explain a little further the section on recovery of past losses. That is a pretty general statement in the Explanatory Notes. It was explained somewhat in committee, and my understanding was that it just goes back one year. But that is a clause that concerns me. It is the only thing in the Act that concerns me really, except that the bottom line on subsidies is just another example of subsidies - anything subsidized in this Province today might as well take notice that it is only a matter of

time and their day will come, they are going to be knocked off, because it is just another example of subsidies going. The only thing I would like to have explained now is that clause on recovery.

MR. SPEAKER:

The hon. the Member for Torngat Mountains.

MR. WARREN:

Mr. Speaker, I want to have just a couple of minutes on this particular Bill. It is not what the Bill says, Mr. Speaker, what I am concerned about are the utilities in our Province, and I refer to Coastal Labrador. I would have liked my colleague for Eagle River (Mr. Dumaresque) to be here today, because I think we would both agree on this issue, that the people on the coast of Labrador are paying, after 700 kilowatt hours, three times more for electricity than anyone else in the Province, other than those who are on the Southwest Coast who are serviced by diesel generators.

Now, Mr. Speaker, I suggest to the Government that equalization of electricity in this Province is definitely a must. I would be almost tempted to vote for this piece of legislation if I could get that assurance from the hon. House Leader and from Government. Mr. Speaker, I will compare the residents of Happy Valley - Goose Bay and the residents of Makkovik, in my District. For example, if consumers in both communities were to use 1,000 kilowatts of electricity, the individual in Happy Valley - Goose Bay would pay approximately \$35 or \$40 and the individual in Makkovik would pay in excess of \$125. That is too much of a disparity between communities in this Province for

electricity rates. I say, Sir, that until we can have a uniform electricity rate for all citizens of our Province, then I would consider it discrimination.

Mr. Speaker, I will give two other examples. Beer: The cost of a twelve bottle carton of Molson Canadian in St. John's and the cost of a twelve pack of Molson Canadian in Happy Valley - Goose Bay, or in Corner Brook, in Burgeo or in Makkovik is the same. Newfoundland Telephone, which is a public utility, again the cost to the consumer is the same. So if Newfoundland Telephone can equalize their charges throughout the Province, then surely Newfoundland and Labrador Hydro or the PDD should do the same thing. I think the time has come where residents who are serviced by diesel generators are definitely discriminated against.

I would almost be tempted to support this piece of legislation if the hon. gentleman can give me the assurance that the electricity rates for the people in coastal Labrador will be reduced to coincide with rates in St. John's and Corner Brook and so on. Now if the hon. gentleman can give me that assurance, that we are going to see an equal electricity rate within the Province, with the people in Roddickton paying no more than the people in St. John's and so on, then I assure the hon. gentleman that I would be tempted to support this piece of legislation.

Mr. Speaker, I will not comment any further on this piece of legislation, but I would hope the hon. gentleman will stand up - we are only one week away from Christmas, and what a nice Christmas present that would be

from the Government of this Province, to announce today, when he is closing this Bill, that the people in coastal Labrador will see their electricity bill cut in half in January. Even reduced to half it will still be twice as high as it is in St. John's. That would be a good Christmas gift for the people on the coast of Labrador. I would hope that the hon. Minister when he gets up to close the debate will not act like Scrooge, but will act like Santa Claus and offer this nice Christmas gift to the people on the coast of Labrador. Thank you, Mr. Speaker.

MR. BAKER:
Mr. Speaker.

MR. SPEAKER:
In the hon. Minister speaks, he will close the debate.

The hon. the Government House Leader.

MR. BAKER:
Thank you, Mr. Speaker.

The Minister of Energy is out of the Province on some matters, and in his place I would like to move second reading of this Bill. There were some questions raised by Members opposite and I will try to deal with some of them if not all of them. I may not remember them all.

The Member for Humber Valley indicated that he would like a further explanation of the general comment in the first of the bill, in the Explanatory Notes, which indicated 'This Bill would amend The Electrical Power Control Act' to provide for the recovery of past losses, and that seemed to be the item of greatest interest. I would assure the hon. Member and

Members opposite, and all Members of the House, that the past losses referred to refer to what happened after the Budget process last year. During that Budget process we gave certain directions to Hydro and Hydro, then, immediately brought these into effect. In other words, they, as of the Budget date, started to incur losses based on the direction they received from this House. So the losses referred to, Mr. Speaker, are simply the losses pertaining to this program and only this program that had to do with the reduction in the PDD subsidy. These are the only losses referred to. We do not refer to anything else covered by Newfoundland Hydro or Light and Power or anybody else. So this is not a broad clause that applies to all losses everywhere, this is a clause very specific to the Power Distribution District subsidy reduction.

Now, Mr. Speaker, what this Bill does is it enables Hydro to do what it has been directed by this hon. House to do, and that is to reduce and phase out the PDD subsidies over a period of three years. And they have agreed that in their cost recovery they would spread it out as long as possible. It may be as much as 5 to 7 years that this would be spread out, so that the impact would not be as great on consumers.

The other question, the Member for Torngat Mountains wanted a discussion on a single power rate for the whole of the Province of Newfoundland and Labrador, and indicated that he would like me at this point to announce such a thing. I understand where the hon. Member is coming from. We have the same basic philosophy with regard to that, and this is something that we would aim

toward. This year we raised the limit from 600 to 700 kilowatt hours, and hopefully we can continue that. But the real problem is that if automatically it is all done immediately, then in the areas where there are diesel generators this is going to create a situation that we will not, right now, be able to cope with. It will create a demand such that our present generating facilities will not be able to satisfy the demand. Now, I wish that were not so. I really do. If that were not the situation, then we could quite simply cover every community in the Province with the same rate. I wish that were so. We are trying to find a way to do it. It will be done gradually, and that is our intention. But we cannot do it in such a way that it will create an even greater problem with a shortage of electricity.

So, I say to the hon. Member that I cannot, in a haphazard manner, all of a sudden announce something that has tremendous impacts. Next year and years down the road it could cause electricity shortages in areas of the Province. I cannot do that. We will deal with it in a sensible, logical manner, step by step, through the recommendations of Hydro, through the recommendations of the Department of Energy, on to the Cabinet process and the Resource Committee and Cabinet process, and eventually it becomes part of the decision of Cabinet and of Government and of the House, when it is presented to the House. We have to go through that process in announcements that we make, and we are going to stick to that process, Mr. Speaker.

MR. WARREN:

Would the hon. Minister permit a

questions?

MR. BAKER:

Yes, Mr. Speaker, I will allow a question.

MR. SPEAKER:

The hon. the Member for Torngat Mountains on a question.

MR. WARREN:

I am just going to ask a question. He volunteered. With this proposed increase in electricity rates that Hydro is asking for, it is fine and dandy where there is diesel generation, such as the Labrador Coast and the Southwest Coast and places like that, but would the hon. gentleman recommend to those asking for the increase that they should consider not asking for an increase in the PDD areas of the Province?

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

No, Mr. Speaker, we have not considered that. First of all, we have no knowledge of what is going to happen over the next two or three years in terms of what is going to come before the PUB. We also have no way of knowing what the PUB is going to decide on any rate increase requests. We have legislation that relates to the PUB and we are making allowance for consumer representation. I mean, this is one of the points that the consumer representation could stress. It is a process that we have set up and ultimate decisions of that, of course, will be decided by the Public Utilities Board in the Province. So I cannot make any comment about that. We have not considered that.

I would say that over the next

number of years, as has been indicated by the Minister of Energy and others, Hydro will be seeking some increases, obviously, and as a result so will Newfoundland Light and Power. And there are obvious things happening: There is normal inflation, there is the effect of the PDD thing which is going to be spread over a large number of years, and there is the effect of the GST. Obviously this is going to impact on what requests come before the Public Utilities Board, and it is going to impact on the decisions of the Public Utilities Board.

So, Mr. Speaker, that is something in the future and we will make every effort possible to do two things: First of all, to make electricity rates equitable all over the Province, and secondly, try to ensure that electricity rates are kept as low as possible within those particular guidelines.

Mr. Speaker, I would like to move second reading of this particular Bill.

On motion, a Bill, "An Act To Amend The Electrical Power Control Act," read a second time, ordered referred to a Committee of the Whole House, on tomorrow. (Bill No. 54).

MR. BAKER:
Order 17, Mr. Speaker.

Motion, second reading of a Bill, "An Act To Amend The Public Service (Pensions) Act". (Bill No. 36).

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

DR. KITCHEN:
Mr. Speaker, this Bill No. 36 "An

Act To Amend The Public Service (Pensions) Act", is a somewhat routine Bill. What we are trying to do here largely is to bring The Public Service (Pensions) Act in conformity with the Pensions Benefits Act. Mr. Speaker, as Members will know, The Pensions Benefits Act is the Act governing all pensions in the Province, including those operated by the Government, but also extending into those operated by the private sector. There are certain provisions in that Act, and The Public Service (Pensions) Act is not quite in conformity with that. These amendments are basically to bring The Public Services (Pensions) Act in conformity with The Pensions Benefits Act.

I could go into more detail, Mr. Speaker, but I think I will wait for comments from other Members.

MR. SIMMS:
Mr. Speaker.

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

MR. SIMMS:
Mr. Speaker, if I may make a few brief remarks on the legislation, as I understand it the critic on our side of the House has looked at this particular piece of legislation - I presume the Legislative Review Committee has gone through it as well - and really it is nothing to be too alarmed about. So we do not intend to unduly withhold this piece of legislation from going through. As I understand it, it simply allows somebody who has left the public service and who wants to come back to work can do so and have their pension basically reinstated. That is

basically it. That is one of the major parts of the legislation and the rest of it is to look after inequities, I suppose, and other pieces of legislation and to make it all conform. Essentially that is what it is.

I will say while I am on my feet, though, that this side of the House and this caucus have a lot of other concerns related to pensions. The Minister is aware that many of those no doubt, teacher's pensions - teachers have concerns, public servants or segments of the public service have a lot of concerns about pensions and the Government's intentions with respect to pensions down the road, perhaps next year following the report of the Pension Commission, and so on. So we have a lot of concerns and we could quite easily use the opportunity in debate on this particular Bill to bring a lot of those concerns forward. However, in the spirit of dealing with this specific piece of Legislation we will leave that for an appropriate occasion, another occasion, and in this particular case simply indicate to the Minister and to the House and to the Government that we have no problem with the Bill and we will allow the Bill to pass.

MR. SPEAKER:

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

The hon. the Minister of Finance.

DR. KITCHEN:

Mr. Speaker, if no one else wishes to speak, I will just move that second reading be proceeded with.

On motion, a Bill, "An Act To Amend The Public Service (Pension's) Act," read a second

time, ordered referred to a Committee of the Whole House, on tomorrow. (Bill No. 36)

MR. BAKER:

Order 15, Mr. Speaker.

Motion, second reading of a Bill, "An Act To Amend And Consolidate The Law Relating To Public Utilities." (Bill No. 44)

MS DUFF:

Mr. Speaker.

MR. SPEAKER:

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

MS DUFF:

Thank you very much, Mr. Speaker.

I had started to address this Bill yesterday and adjourned debate so I would just like to finish my remarks without getting into too much detail.

I think the Bill, in essence, is recognized to be responding to a recommendation made by a special committee that was set up to address this issue. The Clauses in it that I have any concern with relate to the functions of the Board of Public Utilities Commissioners, or the PUB.

There are a number of points I would like to address. First of all, I would say that I am pleased to see that the recommendation of the report as it relates to providing better staff backup for the Commissioners has been addressed in this Bill, because that has been one of the problems, I think, related to the old PUB board, the obvious need for legal accounting and other forms of assistance to the Commissioners simply because of the complexity of the area they are dealing with

and the increasing sophistication of the utilities companies in attempting to put their case before the Public Utilities Board, oftentimes in a way that makes it very difficult to relate to.

Yesterday in the debate the hon. Member for Bonavista South (Mr. Gover) made reference, I think, to the rationale for Clause 17, being that the Supreme Court of Canada might in fact be asked to overturn recommendations of the PUB on the grounds of bias. I find this somewhat of a strange argument if you, in fact, look at what the Public Utilities Board is. It is set up to protect the public interest. The fact that a board is cognizant of the rights and interests of the public, and individual Commissioners also, should not be construed as bias because that, in fact, is their job. It is also their job to be realistic in terms of the economics of the utility companies, and to make sure they are not making it impossible for those companies to deliver the service and also be fair to their shareholders. But having a very strong awareness and sense of responsibility to the consumers of this Province, because you are dealing with companies that in fact are not subject to normal market forces, I would think would be a very good attribute of public utilities commissioners, and I think it would be very unusual for a Supreme Court to overturn a decision simply because the consumer interests had in fact been protected. I think it is very, very important that this consumer interest function survives.

Now the recommendation of the Committee, and again it is in some ways reflected in Clause 117 of

this Bill, is to take the actual consumer advocate off the board as a public utilities commissioner and establish that function - it says, 'The Lieutenant-Governor in Council may appoint a consumer advocate under this Act upon those terms and conditions that the Lieutenant-Governor in Council may determine;' and that 'The Lieutenant-Governor in Council may make regulations respecting the functions and duties of the consumer advocate;' and that all costs shall be borne by the board. My concern with this is that that function then becomes a part of Government, part of the Government civil service and bureaucracy and is not sufficiently arm's length from the political process. It is alright to say that it would never be subject to real or perceived pressure by the politicians should the heat be on in some way and that be objected to by the public utilities. And they have objected. They have been, in a sense, not pleased by the increased effectiveness of the Public Utilities Board since the consumer advocate position was put on it. They certainly were not pleased when their pensions were exposed as being exorbitant to the public; they were not pleased with the rollback, the first one we have ever had. One can expect that these are powerful companies with powerful boards who can, in fact, exert some political pressure.

Preferably, I think, it should be a function that is certainly well funded but arm's length totally from Government. In that light, my own preference would be to see the Consumer's Association of Canada, which is a very well-established consumer advocacy group, sufficiently funded so that

they could form that particular function properly on behalf of the consumer. Minimally I would suggest that the Act be amended to make it mandatory rather than discretionary for Government to recognize the importance of this consumer advocate function.

The other concern I have relates to clause 120 which says 'The Commissioners of the Board of Public Utilities appointed prior to the coming into force of this Act shall cease to hold office upon the coming into force of this Act;' which in fact means that the Board is at square one. And I am sure Government realizes the tremendous importance of competence and continuity in terms of the Board of Commissioners of Public Utilities. It is not something that the average person off the street no matter how knowledgeable about law or accounting or business can step into and perform adequately, in my view. So I would like to very strongly suggest that that whole question of continuity and competence and experience be kept in mind when the new Board is to be appointed.

My final concern, I suppose, is the one that relates to the handling of this Bill and the fact that like so many others it is not being given an opportunity to go through the process that if not in law certainly was agreed to by both parties in this House, that these Bills, where it was considered necessary or advisable in terms of getting input from the public, would be delayed before adoption and an opportunity made for public representation on the actual Bill. This, I think, is particularly important in this kind of a Bill which deals with something like the Board of

Commissioners of Public Utilities which has a very public function, and the whole question of the rights of the consumer in relation to this function.

I do not see the urgency of adopting this now. I do not think the sky is going to fall or that the functioning of the Board is going to be impeded or that the rights of the public are going to be impeded if this Bill does not pass today, but is deferred for a period of months for the purpose of getting input from the concerned public into this Bill.

I would therefore like to move an amendment, which is seconded by the Member for Fortune - Hermitage (Mr. Langdon), that Bill No. 44, "An Act to Amend And Consolidate The Law Relating To Public Utilities," be not now read a second time, but that it be read a second time this day six months hence.

MR. SPEAKER:

The hon. The Opposition House Leader.

MR. SIMMS:

I would just like to have a few words with respect to the Bill and in support of the amendment proposed by my colleague, the Member for St. John's East. The amendment of course is the traditional six month hoist, which is perfectly acceptable, and even the Government House Leader did not object, so he is quite familiar with the six month hoist. Essentially it means that, we feel, on this side that the urgency is not there for this particular piece of legislation to go through now. There does not appear to be any urgency and in view of the statements made by the Premier, in June, I guess it was,

when he tabled the report of the internal working committee, chaired by the Chairman of the commission, Mr. Gordon McDonald, and involving two I think, public servants, one from the Treasury Board, Mr. Peckford and one from Justice, a lawyer. The Premier tabled that report in the House in June, as I recollect, in fact I did have the quotes, but I do not have them here in front of me right now.

MS VERGE:

(Inaudible) the report.

MR. SIMMS:

The Premier indicated the reason he was tabling it now and that there was no legislation right now to debate, is because he wanted the public to have input into this particular piece of legislation, and we supported that suggestion by the Premier, unfortunately, we have not seen any follow-through on that particular suggestion. Not something that we are unaccustomed to by this Government, of course, but in this particular instance, the Premier himself said it should have public input. Now, Mr. Speaker, in addition to that of course, we have established by cooperation and agreement a Legislative Review Committee process. I think this would be a tremendous candidate, if you want, this piece of legislation would be a tremendous candidate for that committee to go around the Province, two or three parts of the Province, and have some public hearings and have some input, some representation from consumer advocate groups, for example. The Legislative Review Committee would be the vehicle. The Member for Mount Scio is whispering or something -

MR. WALSH:

(Inaudible) there is no need to. I was happy to second the motion.

MR. SIMMS:

Well that may very well be, but you are not listening obviously, as is the problem over there with the Government. The Member for Humber Valley moved in committee that there is no need of having public hearings on this particular Bill, that is correct, but we are not denying that, but the hon. Member is not listening to what I am saying. I am simply saying that the Legislative Review Committee would be the perfect vehicle to have hearings. We are now arguing, despite what was said in committee, it is not relevant to, necessarily what the Opposition now says is caucus. In caucus, we are saying, perhaps on reflection, even the Member for Humber Valley would agree, I have not discussed it with him anyway, but maybe he would agree even if the House decided to send it to public hearings, I am sure he would be supportive. The point here, Mr. Speaker, is that the Premier himself said there should be public input, that is the point, and the Legislative Review Committee would be the mechanism, that would be the mechanism, and there certainly is no urgency with respect to this legislation today. That is the reason for the amendment by the Member for St. John's East, six month hoist, bring it back in the Spring of the year, let the Legislative Review Committee take it back, go our and have a few public hearings and let people have some input. Let consumer advocate groups or other interest groups have some input, not only into the legislation, but into the Public Utilities Board operations, they have never had that opportunity and I think it would be a great opportunity for

them to do so. There are some sections in the Bill that I want to comment on and I would like to ask the Minister some questions - the President of Treasury Board who is responding on behalf of the Minister responsible. I would like to ask two or three questions, perhaps he can respond to them when he closes the debate. First of all, on the question of the reappointment of committee Members, the reappointment of committee Members. I would like to ask him what his intention is with respect to that. Does he intend to reappoint existing members or does he intend to appoint all brand new members, some brand new members, some existing members? That is one question I would like to ask.

Secondly, with respect to the section dealing with part-time members who would represent various regions. I think the Minister said on introduction of the Bill that they would be from various parts of the Province, various regions of the Province. The problem I had with that, if it is a problem, legitimate or otherwise, I do not know for sure, but in my own mind I have a bit of a problem with it. Because permanent commissioners, people who are on the Commission full-time, obviously must make themselves fully aware and cognizant of all the operations of the Public Utilities Board, all of the legislation and so on that they would have to deal with on a full-time basis. A part-timer may not have that same initiative or incentive because of the fact that they are doing other things. So I am not so sure if that is a really good idea.

I understand further, from the Minister's introduction of the

Bill, one of the main reasons for it was so that you could have hearings in different parts of the Province. That is something we fully support. However, I can see no reason why a full-time board would not be able to do the same thing. All it would take is direction to the board that it must hold hearings out around or, at the very least, an understanding and a willingness on the part of the board to hold hearings out around.

In fact, I was made aware this morning by way of a telephone call I had, of a request from an individual in Corner Brook, as a matter of fact, a well-known individual in Corner Brook, who had written the Public Utilities Board and asked if it would come to Corner Brook to hold a hearing on the current Light and Power Increase issue. I am told that the only one on the board who insisted they should go is our old friend, the consumer advocate, Mr. Wells, and that the remainder of the board refused and rejected the idea of going to Corner Brook for a public hearing. That is what I am told. The Minister might want to check it, or whatever. But, you know, if that is the case, what you need are people on the board who are willing to go. They do not necessarily have to be part-timers, maybe still full-timers. It is just a point I would like him to address and maybe explain a little more why the necessity for part-timers.

I made the point about the hearings and, based on the Premier's suggestion that we should have public input and so on, I do not know now why the Government are, all of a sudden, backing off from the Premier's suggestion, made by the Premier

himself, of why they would now want to, all of a sudden, try to ram this thing through.

I truly hope that, contrary to the stories going round, this is not an attempt by the Government to eliminate an individual sitting on that commission. In other words, I hope this is not the old 'get rid of Andy Wells' Bill. That is the point I want to make. There certainly are people - and Members over there have heard it, because I have heard it mentioned in groups - who have made that kind of a comment, this is the 'get rid of Andy Wells' Bill. I think that would be a bad perception if it were to be true.

Finally, I ask one more question of the Minister. It says in the legislation with respect to coming into force of this Act, Commissioners of the Board shall cease to hold office. What is the Government's intention with respect to compensation for any of those Commissioners who might be released, who might be let go? Is there an intent to provide compensation? Is there anything in any agreements they have that provides -

MR. DECKER:
(Inaudible).

MR. SIMMS:
As the Premier said, if the Minister of Health could stop yapping over there. He is constantly at it, which is very irresponsible.

Could he tell me what the intention is? Would there be an intention to work out some kind of a compensation package, a severance, or whatever, with Commissioners who will be released if, indeed, the Government intends

to release any. The Government has not indicated to me, or publicly I guess, that it really intends to release any, but if it did, I would like to know the answer to that question and so, I am sure, would those Commissioners who might be involved.

Now, what was the Minister of Health trying to say?

MR. DECKER:
We will give them a Peckford dinner.

MR. SIMMS:
A what?

MR. DECKER:
A Brian Peckford farewell dinner would clear the House.

MR. SIMMS:
Is that right?

MR. DECKER:
(Inaudible).

MR. SIMMS:
Well, I do not know if the Government House Leader agrees with the Minister of Health in that regard, I doubt it very much. The Government House Leader does not agree very often with the suggestions of the Minister of Health.

I have had occasion, personally, Mr. Speaker, at meetings I have attended with the Minister of Health with the Government House Leader, and with the Minister of Justice. I will not say where those meetings are, but they are very regular meetings that I hold with these three people all the time, constantly, giving them advice on House operations. And I would venture to guess that on most every occasion that a decision has to be made or a vote

has to be taken, the President of the Treasury Board and the Minister of Justice, and myself, are like, look, we are like that voting either for or voting against. And do you know who the lone alarmist always is, Mr. Speaker? It is the Minister of Health. He is opposed to everything, apple pie included. So, the Minister of Health should not bother to give advice to the President of the Treasury Board because I can assure him, the President of the Treasury Board would not give two cents for the advice of the Minister of Health.

Now, Mr. Speaker, I have been diverted away from a very important matter and I want to come back to it. I am not going to repeat everything I said, I will simply say to the Government House Leader that we would like him to seriously consider the amendment. There is no urgency unless he can tell us there is some urgency that we are not aware of, and pass the amendment and then give the bill to Committee and bring it back early in the new year, or whenever he is coming back, and get on with it then.

AN HON. MEMBER:

Why are you taking on Attila?

MR. SIMMS:

Ayatollah? Oh, Attila. I thought you said Ayatollah.

MR. SPEAKER:

I will rule at this time that the amendment is in order.

MR. BAKER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Speaker. I would like to point out -

AN HON. MEMBER:

You are speaking to the amendment?

MR. BAKER:

I am speaking to the amendment. It does not close the debate because I am speaking to the amendment.

AN HON. MEMBER:

Nice try.

MR. BAKER:

I have not spoken before on this Bill anyway. This is not an attempt to close the bill.

AN HON. MEMBER:

Do you want to vote on the amendment now?

MR. BAKER:

There have been, Mr. Speaker, a number of concerns and questions raised with regards to the Public Utility Board Bill. There have been quite a number of things mentioned by the Opposition Members that are very sensible and well meaning and that we can agree with wholeheartedly. They discussed the need to make sure that the Public Utility Board is operating properly. We agree wholeheartedly. They have raised some concerns about the number of Members the existence of part time positions and so on, and the implications of having part time positions, and these are pretty sensible comments.

They have also raised the matter of Andy Wells a number of times, and they have raised it from two perspectives. The first perspective I would like to deal with, and that is the presence on the Board itself of a consumer

advocate or a consumer representative. We feel, obviously, from this legislation, that the presence on the Board of a consumer advocate or a company advocate or whatever is clearly out of place. We feel the Board should be not specifically designed or Board members should not specifically be looking at one side or the other. That the function of the Board is to look at the presentations that are made. And to have some of their own research and so on to look at the presentations that are made, and then make a decision based on the presentation.

So, we clearly -

AN HON. MEMBER:

It never worked in the past.

MR. BAKER:

Well, the hon. Member says that it has never worked in the past. I do not know if that is true or not. I know that there may have been problems in the past. There may not have been adequate allowance made for representation from the consumer side. That is part of it. Because I was going to go on and say that if you set up that Board, whose function is to not be pro company or pro group that is making a representation for the Board to just look at the case and listen to the presentation, if you set that Board up properly then you have to make sure, and this is the key, that the other side of the case when Hydro or whoever it is that comes before the Board wants an increase or whatever, you have to make sure that adequate provision is made for the other side of the case. I agree with the hon. Member that if there is not adequate representation for the other side of the case then the

whole thing does not work. Nothing works. Okay.

Most of the points brought up are really sensible points and point to a lot of my concerns about how the system operates. Obviously we have to make sure, if we are going to do the Board the way we suggest here, then we have to make sure, if there is no consumer rep on the Board, a consumer advocate on the Board itself, then we somehow have to make absolutely certain that the case for the consumer is made through another mechanism.

Now I also share some concerns expressed by two or three Members opposite that this not be seen as a functionary of Government, a civil servant who is now going to make the case for the consumer. I do not think that is right and I think the perception would be wrong, if that were the case.

So there is a problem I admit in dealing with the consumer rep side of it. Suggestions have been made that the Consumer Association could handle it. There are problems with that, I have talked to Mr. Sexty about this and got his views and so on. There are problems with that, the Consumer Association, I hope not, but some time in the future may cease to exist, you know, that that is just a surface problem that exists with it. So there are problems with the consumer representation. And we have to find an effective way to make sure that the opposite case is made. I would like to say that I agree with the comments made in that regard.

There was a question asked about the reappointment of Committee members? And I assume that this question was genuine, so I will give a genuine answer. No

decision has been made as to whether to appoint the whole of the people there now or none of them. The decision has not been made in terms of individuals. We will see how this legislation goes. However, the prime criteria for putting people on a Board like this will be their ability to deal with the issue. That will be the prime criteria, their ability to deal with the issue. We may need some continuity, you know. But a lot depends on the individuals that indicate that they want to be on that Board and the calibre of the people that we have - we will pick the best people. That is essentially what we will do, so I cannot make any commitments one way or the other. It may be all of the present people, or maybe none of them. I cannot make any statement about that right now.

The comment about part-time members is well taken and a decision has been made to put some of them there. A Board of three members may, in fact, be adequate I do not know. It is hard to judge, or do we need four or would two do? It is a matter of how many do you put there? And we made a decision that we would suggest three full time and three part-time for the reasons mentioned by the Minister of Justice (Mr. Dicks). You could argue for two part-time, one part-time, no part-time, six part-time. But it is simply a matter of us choosing the number that we think will work and we are not always right, we are not infallible, you know, we are not always right.

AN HON. MEMBER:
(Inaudible).

MR. BAKER:
So many times this session and

last session we hear talks about hidden agendas. And that kind of scare tactic always comes up. The Opposition, I suppose, feel that is what they should do and that is what they have to do. They always indicate every piece of legislation or every proposal we put before the House, has a hidden agenda somewhere. It has been mentioned a couple of times, particularly by the Leader of the Opposition, he talks about our hidden agendas and all kinds of things. The Opposition House Leader in his few minutes indicated, oh well, there is some hidden purpose behind all this. I could go back through Hansard and we could do that on Monday, they have indicated there is some hidden agenda with regards to Andy Wells, and this kind of thing.

We hear about this hidden agenda and the rumor mill and all this kind of thing. We always hear about this, and it hurts me deeply, I will say to the Opposition House Leader, that I am constantly told that I have a hidden agenda. Nothing could be further from the truth. I have no hidden agenda. I have tried to deal with matters as openly and as up front as possible. I have no hidden agenda. The Opposition House Leader is saying that I have not spoken to him in two weeks. I do not know whether I have or not. I assume that I have, maybe not in the formal sense, but the informal sense. I have spoken to him in these secret meetings that he talks about that we keep having.

Anyway this talk about a hidden agenda bothers me, it really does. Maybe Members opposite feel that is part of their job as Opposition to talk about Government's hidden agenda and we are going to resettle the

Province. That is our hidden agenda. Now we are doing something specifically to get rid of Andy Wells, that is our hidden agenda and so on.

I would simply say to the Members that if they have something to support what they are saying then they should put it forward. They should specifically indicate what information they have that leads them to believe that. Instead of simply making the red blanket charge of a hidden agenda. I would say to Members opposite that is very soon going to wear very thin in this Province. They are going to get tired of hearing about the Government's hidden agenda. So just a little word of advice to allow them to do their job a little bit better and be a little bit more effective. Stop talking about hidden agendas when there are none. It does not work.

Another question about compensation and severance to the individuals who are presently on the Board, my response to that is simply that we will do whatever we are obligated to do. Whatever our obligations are under law, then we will do. We will not break the law. We will not go out and give \$500 a plate dinners either as the Minister of Health seems to suggest as a possibility. We will do whatever we are obligated to do in terms of compensation.

Now I want to deal with the final issue. I know there are some other points that I have not touched on but we will have time to get to it, but I want to deal with the final issue and that is the six month hoist. The amendment and the six month hoist that we put this off, and deal with it six months from today.

Now I have a number of problems with that, but the main one being that six months from today may mean a delay of over a year in getting this Bill in place. This is December, that will bring us into June. I am hoping that if we do things efficiently in this House, if we have our Throne Speech in early and have our Budget in on time there would be no sitting of the House in June. I really think we can become more efficient. In June we can then be into our Committee work as we should in May, June, July, August whatever. So that is a problem, there are other ways of doing what the Opposition House Leader suggests.

We are now in second reading, the Bill simply could not be called for Committee or it could be called for Committee. Amendments that hon. Members want could be made in the Committee stage and so on. So, Mr. Speaker -

MR. SIMMS:
(Inaudible).

MR. BAKER:
Yes, go ahead.

MR. SPEAKER:
The hon. the Opposition House Leader on a question.

MR. SIMMS:
Mr. Speaker, I appreciate the Government House Leader being so forthcoming in response to some of the questions at least, not all of them.

On the issue of the amendment, the six month hoist. In view of the fact that our interest is really following the Premier's suggestion, when he tabled the report in June, of letting the public have some input.

That is the reason he tabled it he said. Those are his words in Hansard. And, in view of the argument that the Government House Leader has put forth about six months perhaps being too long because the House may not be open in June, what about if we agreed then to just amend the amendment by agreement to make it a three month hoist? Would that chew all the logic out of his argument? Because we would be quite prepared with a three month hoist. It does not have to be six months. The purpose is to have some public hearings.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

I know the Opposition House Leader is probably feeling quite pleased with himself. I did say there were a number of problems I had with it and I just outlined the first one. The Opposition House Leader has said, well, we could make it a three month hoist, or a two month hoist, or whatever to allow input. I was simply responding to the motion made by the member for St. John's East which referred to a six month hoist.

MR. SIMMS:

Yes, re-amend it, sub-amend it.

MR. BAKER:

That is really what I should be responding to. I would like to go on and deal with the other problems as well. There are other problems and it is not totally satisfied by the length of time. That was just something I wanted to point out to Members opposite.

MR. SIMMS:

But you would vote down the

three-month (inaudible) too, I take it.

MR. BAKER:

The other problem is that there are many avenues for input. One avenue, of course, is consultation with groups. We have had input. A committee was appointed quite some time ago, before we came into office, looked at the Public Utilities Board situation, and they talked to a lot of people and had a lot of input from a lot of different sources. Since that time, Members of Government have talked to a lot of the people who are involved. I have had conversations, for instance, concerning this Bill with present members of the Public Utilities Board, including Andy Wells. I have had written representations from present members of the Public Utilities Board, including Andy Wells. There have been some conversations, although not extended; one meeting with the Consumer's Association and so on. So there has been input. It has been talked about in the press. As a matter of fact, several times I have a point of going to the press and, when talking to the press, mentioning about the Public Utilities Board legislation and some provisions that may be there. There has been response through the press.

I would say to Members opposite that we have a chance for input now, groups have a chance for input. We are not finished the Bill yet. We are still in second reading and because of that, Mr. Speaker, I would suggest that we not do the hoist and that we go ahead with the normal process and see what happens during Committee stage. As Members opposite know, there is a process in the House and can be employed during

Committee stage; it allows for a lot of discussion and a lot of representation on all Clauses, every single Clause in this Bill.

On this side, Mr. Speaker, we will not be going along with the six month hoist, but we want to proceed in the normal manner.

MR. SPEAKER:

The hon. the Member for Kilbride.

MR. R. AYLWARD:

Thank you, very much, Mr. Speaker.

I just want to have a couple of words on this. It is a fact, as the hon. the Member for Mount Scio - Bell Island (Mr. Walsh) said, that in the Committee stage our representative did suggest that we not have public hearings, we put this onto the House. Since that time I have spoken to several people interested in this legislation, and I understand some other Members on this side of the House have talked to people who are interested in this legislation also. To be honest with you, it is my fault, it was a slip-up on my behalf. I thought when the report was done by McDonald, that Commission, that they extracted input from the public. That was my understanding, and then I would not necessarily expect that there would be a second shot at public hearings. I know of one person, at least, who came to me and said they were interested in making a presentation to this Commission, or on this legislation, one way or the other, and they were not given the opportunity to.

AN HON. MEMBER:

(Inaudible).

MR. R. AYLWARD:

No, it was some fellow who makes up brochures, I think.

Mr. Speaker, another concern I have is with the aspect of the consumer representative or the consumer advocate suggested here, and the Minister did make some comments on that. I do not know how part-time members or how a part-time consumer advocate can possibly compete with multimillion dollar companies, which is what they are going to be doing with Hydro, Newfoundland Light and Power and Newfoundland Telephone. I think we should have, as we have now, a permanent member of the Commission, and if he has an interest on the consumer side of the operation, so be it. He should be there. He should have access to all the knowledge of the Commission hearings, he should be able to have input into the final decisions of the Commission, as is happening now. I am not saying any one person should be doing this, but there should be a member of the Commission who has a definite, distinct input into the final decisions that are made, not an advocate who can come in and make a presentation, then leave the scene and not have any further say in it.

The system as it is now seems to be working fairly well. Before the system that is in place today was set up there was a lot of consumer concern that the Board of Public Utilities was not doing the job on behalf of consumers, it was just hearing presentations and approving, which we all know was not the case, but from a consumer point of view it seems to be working better the way it is today than it did in the past, a good while in the past, before the consumer rep, as he is called, was put on the Board.

I still believe that this consumer rep should be on the Commission,

should be on the Board, and he should have a final input on what decisions are made, not just make a presentation to the Board and then the decisions are made others. That is all I have to say.

PREMIER WELLS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, I would just like to have a few words to say about this matter. To begin with, this is the report of a Committee appointed by the former Government. They did a good job.

MR. SIMMS:

(Inaudible).

PREMIER WELLS:

No, no. They did a good job. The Committee did a good job and did a proper assessment of it. In terms of the issue of the consumer advocate that the hon. Member is raising, some of what he said has merit, but his means of implementing it, with great respect to him, I think are wrong. We operate in this society, in everything that we do, by the application of principles that we call principles of natural justice. When you put parties with opposing interests before a court or before a board or before any kind of quasi-judicial tribunal, you want fair judgment and you cannot prejudice the ability to get that fair judgment by putting one of the parties on the board and not the other. I mean, it is so fundamentally contrary to the principles of natural justice that one has to wonder about the sanity or good sense of the people who created that situation in the first

place. It is just a crazy system. What we need in this Province is a properly funded and properly provided for consumer advocate to go before the board and to be able to put the positions to the board and then let the independent board decide.

Now I have no quarrel if you are going to say you put the representative of one of the groups on the board you must in fairness put a representative of the other group on the board. That is the principle of natural justice. You have to be fair to both sides. You just cannot overweight the board with a representative of one of the sides to the argument. Because, you see, in every hearing of that nature before the board what you have is one of the parties, the telephone company, the power company or whoever is involved making an application before the PU Board. That is one of the parties. On the other side is the group of customers of that Party. They are the other side that need to be represented to make arguments. Now, it would be just the same if you put a representative of the telephone company on the Board and left off a representative of the consumers; you put the Board out of balance and you create a fundamental unfairness, and that is wrong. You either put a representative of both parties on the Board, or of none.

AN HON. MEMBER:

In your opinion.

PREMIER WELLS:

Not in my opinion. I mean, every court that is ever structured in the country has been structured that way. Either you say let a prejudiced group decide it and you

want to operate in that way, or do not pretend that you have an independent quasi-judicial tribunal making a decision. And that is why I have no doubt the former Government had the good sense to appoint a committee to look at it. One of the few times when they may have demonstrated some good sense, but they did. They appointed a committee to have a look at it. The committee made a recommendation. We looked at the recommendation of the committee, and we saw some good sense in it, and we took steps to make the changes that were recommended not only on that point, there were a variety of changes that they recommended, and this new legislation provides for that variety of changes.

The point the hon. Member did make is that the consumer advocate must have full access to all information so that the consumer advocate can put a proper and full case before the Board. And what we have in mind, Mr. Speaker, is creating a proper consumer advocacy position and equipping that consumer advocate with the resources necessary to marshal the proper facts and information to put before the Board so that when the Board is sitting to pass judgement on what should or should not be done, we can be absolutely certain that the Board has before it full information from both points of view. That is what we are proposing and that is what should be the case.

What was done in this case is like taking the Court of Appeal that is hearing a case between Party A and Party B and putting a representative for Party B on the court to make the decision and having nobody from Party A. You cannot possibly do that, and that

is what the former Government did with the Public Utilities Board, when instead of creating a proper consumer advocate position and funding it properly to do the job properly, they made the changes they did. Now, fortunately they appointed a committee to take a look at it and make recommendations as to what changes should be made. The recommendations were made, and I think this Bill properly provides for it, Mr. Speaker.

On motion, amendment defeated.

MR. SPEAKER:

We revert to Order 15, which is second reading of the Bill.

MR. SIMMS:

Mr. Speaker, I just want to have a few further brief comments now in debate on second reading, and I will say in response to the Government House Leader's comments - I am not going to comment on any of the Premier's remarks because there was nothing to comment on.

PREMIER WELLS:

(Inaudible) not competent.

MR. SIMMS:

I am not competent to do it. Yes. Exactly.

MR. RIDEOUT:

That is his view of everybody.

MR. SIMMS:

I have great difficulty every time the Premier gets up and addresses everything as if he were in a courtroom - martial in this. Discharging your responsibilities. I mean, somehow I cannot get turned on by it, so I prefer to ignore his comments. He is always at it.

I want to talk to the Government

House Leader.

MR. RIDEOUT:

To an ordinary individual.

MR. SIMMS:

Yes. A man of the people. A grass roots person. In response to one particular argument he made in debating the six month hoist amendment - I am not going to repeat the arguments I made for the necessity to have some public hearings and so on, because I think deep down the Government House Leader probably agrees. There should be an opportunity for some public input. There is no real urgency. We could certainly hold it off for two or three months, and bring the Bill in in March or something like that. No problem at all! We would be quite prepared to let it come in right away, or whenever he wants to do it.

So, in that regard, since he said he could not agree with the six month hoist because the House may not be open in June, surely the House will be open in March. I do not think there is much question about that. If it is not, he can order it open.

I want to move a further amendment, Mr. Speaker, seconded by my colleague, the Member for Menihek. He and I have had a great deal of discussion on this matter, that Bill No. 44, "An Act To Amend And Consolidate The Law Relating To Public Utilities", be not now read a second time, but that it be read a second time this day three months hence, and we will see how the Government responds. It is perfectly in order, I say to the Premier. It has already been checked with Counsel and everybody else. It is not the same motion, obviously.

How can it be the same motion if the first one was for a six month hoist and this is a three month hoist? How can that be the same motion? You are not in a court of law. We are not debating the principle, we are debating the motion, the amendment. The Premier is not competent to argue this matter with me, I can assure him.

Now, Mr. Speaker, I want to suggest that Members in the House might wish to debate this, I do not expect the Premier will get up again to try to take a strip off me on this minor amendment, it is a straightforward amendment and it is simple. The arguments why have all been put forth, so all we would like to hear from the Government is are they interested in allowing the public to have some public input through the Legislative Review Committee process, which have been given the responsibilities of having meetings if they want to. And if we tell them in the House now, in this debate here, we want them to, they can do it. And let us see if the consumer advocate groups out there, consumer interest groups out there might want to make some representation to the Committee on not only this legislation, but, I mean, they can talk about the Public Utilities Board. I think it would be a great opportunity. I think it would be a great thing for this Government to do to prove its openness and all the rest of it, to allow this opportunity to exist. What is wrong with the Legislative Review Committee going to Corner Brook and having a one day meeting, and advertising it, anybody who wanted to come to comment on this legislation or anything with respect to Public Utilities Board, let them do it. Give them a great opportunity. A

feather in the hat of the Government for allowing them to do this.

Anyway, Mr. Speaker, I do not want to belabour it, I just want to move that amendment and let us see if the Government House Leader can perhaps respond to that one in a more positive fashion.

MR. SPEAKER:

The hon. The Government House Leader.

MR. BAKER:

Very briefly, Mr. Speaker, my comments to that are basically the same as my previous comments to a similar amendment. We would like to, as quickly as possible, do the changes in the PUB to coincide with a lot of other changes that are going on to get a new Board in place to deal properly with the problems that are coming up very quickly in the New Year. Mr. Speaker, my comments to the second amendment are similar to my comments to the first amendment.

MR. SPEAKER:

The hon. the Member for Kilbride.

MR. R. AYLWARD:

Thank you, Mr. Speaker. Just a very brief comment on this. The hon. Premier did mention a point of law, I guess, or a standard of law when he was - I am certainly at a great disadvantage discussing law with the Premier, because I have no idea, and a probably a lot of other things when I am discussing them with the Premier. I do not know if it was a point of law or a standard of law that was always mentioned in this House by a great friend of the Premier, he used to be the Member for the Strait of Belle Isle, Ed Roberts, but he always said that there was a standard that much must not only

be done but much must be seen to be done. And since the consumer rep. has been put on the Board of Public Utilities, it seems in the public view that the consumer had a better chance of getting their side of the story heard or listened to.

I do not know if that is a point of law or a standard of law or anything, but it is one good argument for public hearings. What the Premier just said about putting one side on the Board, and if you have one you should have the other, that makes all the sense in the world to me. It is the first time I really had the argument put to me and that would make really great sense for public hearings on this, so that the Committee can get out and if consumers are confused as to why the public rep. is coming off the Board and a consumer rep. is being put on it, the Committee could at least try to explain to the public so that justice is seen to be done to the public again. I think it would be good to have public hearings and not just for that, because there will be other things discussed too. But just for that alone you could have public hearings.

I know a lot of Members on your side agree with that and they would like to have public hearings too, the way they are nodding.

On motion, amendment defeated.

MR. DICKS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Justice.

If the hon. the Minister speaks now he will close the debate.

MR. DICKS:

Mr. Speaker, I rise to close debate on the Bill.

MR. SIMMS:

Ramming it through! Ramming it through!

MR. DICKS:

The Government does not ram anything, Mr. Speaker, unlike certain Members of the Opposition did in Government, shall we say. This was in other quarters, I am told.

May I say, Mr. Speaker, that -

MR. SIMMS:

(Inaudible) nothing unwrapped.

SOME HON. MEMBERS:

Oh, oh!

MR. DICKS:

I certainly did not.

Mr. Speaker, in rising to close the debate I would just like to make one remark. I realize that certain aspects of the Bill deal with current problem. The hon. the Member for Kilbride I think identified what is essentially the issue in this Bill, and that is that justice must not only be done but be seen to be done. If there is an outstanding problem with the current constitution of the Public Utilities Board it is certainly that the consumer's representative is a member of the Board of Public Commissioners rather than being, as we propose in section 117 of the Act, to constitute a separate office. I think that amendment is well-founded. Although there is some controversy on it, I can see no reason to amend it or to deal with it otherwise.

I therefore propose to move second reading, Mr. Speaker, and commend

to the House all the provisions as set forth herein subject to two minor amendments that may have to be made in Committee dealing with technical printing errors that have occurred as a result of the Bill going to the printer and being misread. We will be tabling those at that time, if the Opposition does not already have them. They were brought to my attention this morning. Other than that, Mr. Speaker, they are not of substance, but rather of -

MR. SIMMS:

Another hidden agenda.

MR. DICKS:

Indeed, Mr. Speaker, to make the Act correct is our agenda. Thank you.

On motion, a Bill, "An Act To Amend And Consolidate The Law Relating To Public Utilities", read a second time, ordered referred to a Committee of the Whole House, on tomorrow.

MR. BAKER:

Order 22, Mr. Speaker.

Motion, second reading of a Bill, "An Act To Amend The Co-Operative Societies Act." (Bill No. 50).

The hon. the Minister of Development.

MR. FUREY:

Mr. Speaker, I am pleased to introduce this amendment to Bill No. 50, which is An Act To Amend The Co-Operative Societies Act. I am pleased to do this as Minister responsible for the Co-Operatives and Credit Union Movements in the Province. This amendment, Mr. Speaker, which I seek the House's approval for will permit corporate memberships in the Province's Credit Union and Co-Operatives

throughout the Province. It will also make provisions to enable Credit Unions to engage in commercial lending, Mr. Speaker, as a service which Credit Unions previously have not been permitted to offer to the business community throughout the Province. The conditions under which commercial lending activity may be undertaken by Credit Unions will, of course, be established by regulations under The Co-Operative Societies Act following consultation with the Credit Union sector.

Mr. Speaker, this amendment is also in response to the legitimate wishes of the Credit Union system throughout the Province, and this system is a 100 per cent provincially owned financial system and it will provide financial services to all sectors of Newfoundland and Labrador.

The amendment will also further facilitate the implementation of an important initiative currently being considered by the NLDC (Newfoundland and Labrador Development Corporation). The Corporation has indicated its intention to establish a community enterprise program, which the hon. Member for Humber Valley, I am sure, is familiar with, which has two basic premises. Number one, to stimulate the creation of worker and producer co-operatives in areas hardest hit economically, and the second part of that initiative is to assist credit unions, particularly those in rural areas, to achieve their goal of extending commercial lending services to their communities.

This proposed program, Mr. Speaker, is in response not only to a call for support in these matter by the co-operative and credit union sectors themselves,

but also to recommendations made in a number of important reports and studies released over the last number of years. An example of that, of course, is the Royal Commission on Employment and Unemployment, whose recommendation number 219 read as follows, 'That the Provincial Government should negotiate a means of offering some Government financial support to small business through the Credit Union System movement throughout the Province in order to provide it with more experience in commercial lending.'

There were a number of other studies as well, Mr. Speaker. The Economic Council of Newfoundland and Labrador, as Members will be aware, have supported this particular initiative, as well as other studies. I believe there was an internal Government study done in January of 1988, which called for the implementation of this as well.

So essentially, Mr. Speaker, this amendment to The Co-operative Societies Act, should the House approve it, will enable the Government to extend some additional measure of support to small businesses throughout the Credit Union System and access to the proposed NLDC Community Enterprise Program. The passing of the amendment will not only allow individual credit unions to expand service to their community, but assist the Credit Union System with its long-term development plans.

Mr. Speaker, I respectfully ask the approval of the House for this Bill which will allow corporate memberships in the Credit Union System throughout the Province, to allow the Credit Union System to not only deal in personal loans

and in consumer loans but to allow them to allow us to make regulations to have the Credit Union System now move into and branch out into commercial lending which will be established by regulations. We think it is a very important initiative. We think it is very important for rural Newfoundland. This Government has a lot of faith in the co-operative movement. We give a lot of credit - pardon the pun - to the credit union movement. We think it is a good initiative which will spread out lending services to small businesses in every part of Newfoundland and Labrador.

SOME HON. MEMBERS:

Hear, hear!

MR. WOODFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Humber Valley.

MR. WOODFORD:

Thank you, Mr. Speaker.

I would like to make a few short comments on this particular Bill, particular section. It is one I am sort of glad about. It is a positive thing, there is no doubt about it. There is not a Member in the House who is going to have a bad word to say about it.

AN HON. MEMBER:

It is your Bill.

MR. WOODFORD:

For sure.

In fact, Mr. Speaker, it is one of the recommendations that I had done in a paper and pretty well ready to go to Cabinet before I got out of the Department. It

also included another couple of recommendations. In speaking to the Minister earlier I had been assured that those recommendations are going to be looked after anyway under the Co-op Societies Act, if not now, in the very near future. As stated by the Minister, the recommendations were in the Report on Employment and Unemployment, Section 219. I think one of the others I had in was Number 219, whereby there would be some equity financing as well. I think that is the one we are talking about with regard to the Rural Development Council being tied in with it, and Government providing some equity financing to help some small businesses in rural Newfoundland.

Credit unions in this Province today have grown drastically over the last number of years, and for good reason, for obvious reasons. The big banks and the big corporations in this country, and in this Province - no difference - none of them have a social conscience, none of them. Bar none, any name, they have no social conscience when it comes to looking after the rural areas of this Province.

MR. R. AYLWARD:

(Inaudible).

MR. WOODFORD:

That is what I am saying, the banks and any lending institutions; a small businessman in this Province, or an individual walks in for \$10,000 and you want collateral worth \$40,000 to get it. It does not make sense. They want to be covered, threefold, fourfold. They cannot lose. They want your house for \$5000. Just yesterday I had a call from a constituent, a prime example. A young person twenty-seven years

old who has been working seasonally for the last number of years went to the bank for a measly \$6,000, with a good payment record and everything else. He was working in construction and every other year he worked five or six months, but this year he managed to get three months work. He went looking for a loan. The local branch said okay, and yesterday evening he got a call saying, we cannot give it to you. Now, that is sad. There is nothing tangible. The credit unions in an area are tangible, the people know the businesses in the area, they live there. There are usually people on the Board of Directors who are living in the communities and they look at it as if they were dealing with it in a personal way, which is what we want.

Just this year, we had a new credit union open in Deer Lake, one of the later ones. It just opened early the fall. I have not talked to anybody over the last couple of weeks, but at first they were having some problems in getting started, but I think it is going to be a plus for the area, because we take in the White Bay area, the Northern Peninsula, very big fishing areas in the Province, and agriculture. The things that are basic, sawmillers. Anything basic to the rural fabric of society in our Province. So, I think it will work out right. This clause and this amendment to the Act that the Minister is bringing in today is going to give the credit unions in the Province the right and powers to lend to commercial institutions, which is excellent. I mean before, I think that the credit unions could go up and be guaranteed for \$60 thousand on each members deposit. That is all. It is only personal loans

and dealing with some of the things that the banks do. A few term loans and stuff like that. But now to have the local small business people in the area be able to take advantage of such a scheme and such a loan through the credit unions to me is basic. It is a positive move. It is one that I fully support, and I would also be looking forward to the recommendations on the other two sections of the recommendations that I had there. And then I guess with the Minister in looking at some of the recommendations made by Dr. House in the employment thing because that was one of the places that I got it from, along with talking to their credit union and the credit union council. That is where some of the ideas came from, and they have some good ideas. So, I fully support this Act and look forward to some other recommendations coming forward through the Minister.

MR. FUREY:
Mr. Speaker.

MR. SPEAKER:
The hon. the Minister of Development. If he speaks now, he closes debate.

MR. FUREY:
I thank the hon. Member for his comments, Mr. Speaker. I want to also give the hon. Member credit, because I know in his former life as Minister responsible for cooperatives he was very much in favor of this legislation to allow corporate membership within the credit union and cooperative movement. But I should tell him too this amendment is basically an enabling amendment which now enables us to put regulations in place. And I want to also tell him these regulations will be done

with the full consultation of the Minister of Finance, the Department of Finance, the Department of Development, the Newfoundland and Labrador Development Corporation, and the Economic Recovery Commission, because we want to get these regulations right so that we are fully protected. And it may well be that we will do this as a pilot project to start off. Select one or two credit unions and make sure that it can work, and to make sure that it can get off the ground and be feasible and secure, and make sure that everything is done properly. So, I want to let him know, and let the House know that the Department of Finance, NLDC, the Economic Recovery Commission, and my own officials responsible for the cooperative and credit union movement, will be participating in laying down solid regulations so that everybody is protected and this is done correctly.

MR. WOODFORD:

Would the hon. Member permit me one question, Mr. Speaker?

MR. FUREY:

Yes.

MR. SPEAKER:

The hon. the Member for Humber Valley.

MR. WOODFORD:

If you are going to allow a few Credit Unions around the Province, take into consideration a good cross-section, some in rural areas and some in closer proximity to the urban centres.

AN HON. MEMBER:

Absolutely.

MR. FUREY:

Yes, Mr. Speaker, the hon. Member

raises a good point and it is one that is very valid and it is one that we will certainly consider when we start the pilot project. After we have formulated the regulations and have solidified them and if Finance feels comfortable with them, and the Economic Recovery Commission feels comfortable with them, and my Department feels comfortable with them, then we will actually go out there to pilot this and to allow commercial lending. You raise a very good point, Mr. Speaker, and it is one that we will consider and absolutely put in place.

So we thank the hon. House for allowing us to have this enabling legislation, for allowing us now to proceed with regulations, to allow Credit Unions to move into commercial lending which we think will have a very positive impact particularly on rural Newfoundland.

SOME HON. MEMBERS:

Hear, hear!

On motion, a Bill, "An Act To Amend The Co-Operative Societies Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow.

MR. BAKER:

Order 16, Mr. Speaker.

Motion, second reading of a Bill, "An Act To Amend The Fisheries Loan Act." (Bill No. 37).

The hon. the Government House Leader.

MR. SIMMS:

This Bill is already in debate.

MR. BAKER:

I understand that. I was going to point out that if I speak I will close debate in the event any hon.

Members wanted to speak.

MR. HEARN:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for St. Mary's
- The Capes.

MR. HEARN:
Mr. Speaker, I adjourned the debate some days ago. At the time I think we were into hot and heavy discussions about the fisheries. Since that time because of the many problems that we have faced, many of the things that we were saying at that time have already been said, so we will not prolong debate on the Bill.

However, perhaps as we are moving quickly through a number of Bills, it might be worthwhile to point out the fact that there are still a tremendous amount of uncertainties in the fishery, especially as it relates to plant closures. As I reminded Members at the time, the decisions that will be made in the next few weeks will not determine only what happens to the fish plants and the workers for the present time, it might determine the whole future of Newfoundland. Rather than set up a couple of companies that will become very rich and profitable down the line, our main concern should be to look after the fishermen and the plant workers in the Province and to use the many dollars that are talked about to provide employment opportunities for these people, to use these dollars in the fishery to make sure that we can have a productive industry in the Province. Because if we let it die now, there may be nothing there to build upon a few years down the road.

With that I will conclude the

debate.

MR. SPEAKER:
If the hon. the Government House Leader speaks now he will close the debate.

MR. BAKER:
Thank you, Mr. Speaker.

This Bill makes some structural changes to the Fisheries Loan Board. As the Explanatory Notes say, 'The Board would retain its status as an agency of the Crown for the purpose of administering loans' But there are some changes at the top of the Fisheries Loan Board that require the Deputy Minister to receive the Auditor General's report respecting the Fisheries Loan Board, and there are some changes at the DM level and the Administrative level at the top of the Fisheries Loan Board.

This, Mr. Speaker, is in line with the Departmental reorganization that we are doing and hopefully will make the process a little more efficient within the jurisdiction of the Department of Fisheries. I move second reading.

On motion, a Bill, "An Act To Amend The Fisheries Loan Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow. " (Bill No. 37).

MR. BAKER:
Order 7.

Mr. Speaker, it is now twelve o'clock. Could we stop the clock for a few moments? I just want to straighten something out here.

MR. SIMMS:
Agreed.

MR. BAKER:

There have been some discussions between the Opposition and myself. The Opposition have indicated that they would favor stopping the clock and going on for awhile to finish off some Bills.

My concern is that we have adequate time to express opinions on Bills. I want to make sure that Members opposite have handled the legislation as they want to handle it and have indicated to us they are satisfied that they have said as much as they feel they can say about the legislation, and so on.

My problem, Mr. Speaker, quite honestly and openly, I say to the Opposition, is that I am not in the business of ramming legislation through the House and I do not want this to be perceived as an attempt to ram legislation through the House.

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

Mr. Speaker, I do not know what kind of game or trick the Government House Leader is now starting to play. I mean we agreed to stop the clock to carry on with some debate on legislation that the Government wants. If the Government does not want to do that then, fine, adjourn the House and come back Monday. It does not matter to us.

AN HON. MEMBER:

(Inaudible).

MR. SIMMS:

Well, we already said that.

MR. RIDEOUT:

We agreed to stop the clock and do what you want to do. If you do not want to do that, that is fine.

MR. SIMMS:

Yes, go ahead, adjourn the House and come back Monday. It is up to you guys.

MR. BAKER:

Mr. Speaker, I move that the House at its rising do adjourn until 2:00 p.m., Monday and that this House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Monday, at 2:00 p.m.

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Mr. Rideout, (PC)	Baie Verte - White Bay
Mr. Short, (Lib)	St. George's
Mr. Simms, (PC)	Grand Falls
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First Session - Forty-first General Assembly

-2-

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First Session - Forty-first General Assembly

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