

Thornhill— behind the Minister's portfolio

by Margaret Little

Nova Scotia Development Minister Roland Thornhill encountered some "hot water" recently when complaints were laid regarding his six-figure debt to six Halifax branch banks.

In November 1979, Thornhill made an agreement with the banks to pay back 25 cents of every dollar he owed.

When people began to complain that Thornhill had an unfair advantage as development minister to obtain such a loan, the RCMP investigated.

RCMP gave the report of their search to Attorney General Harry How.

Being a fellow Conservative and member of the cabinet, How decided it would be best if he did not become personally involved in the case. Therefore, he did not read the RCMP report, but handed it to the deputy attorney general, Gordon Coles. Upon Coles' recommendations, How decided "no charges [were] warranted."

The following is merely a portrait of the man behind the present controversy as seen through the eyes of his friends, colleagues, opponents and reporters.

During the press conference regarding the "Thornhill affair", held three weeks ago, Attorney-General Harry How warned the press not to make too much of this incident of Development Minister Roland Thornhill's six-figure debt, as he was still a highly successful businessman and former Mayor of Dartmouth.

According to Dartmouth Free Press reporters and Dartmouth city council members, Thornhill has been embroiled in other financial disputes, as mayor of Dartmouth, MLA and financial critic of the provincial Conservative party.

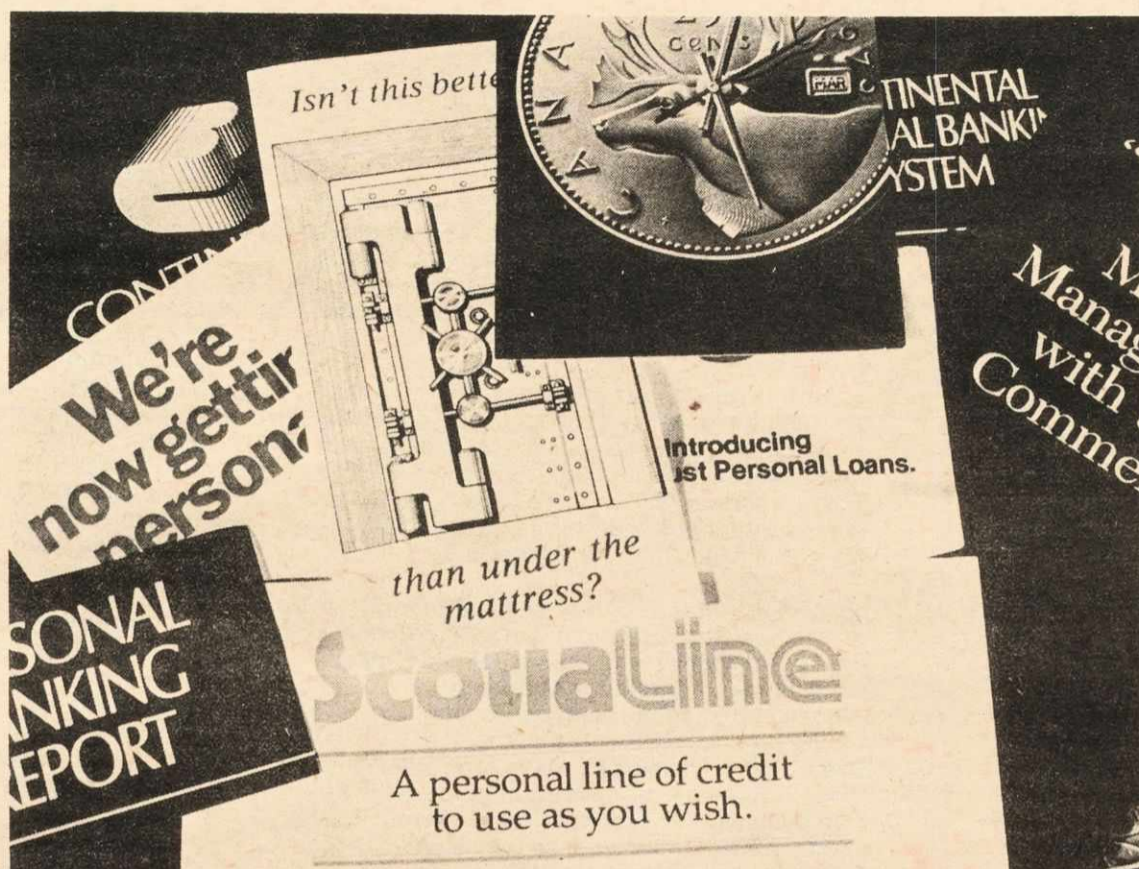
Born in Grand Bank, Nfld., and the son of a fish captain, Thornhill attended Dalhousie University for a year. During this year, he became the president of the Liberals' campus club and gained a reputation as a "likeable guy" and a good opera singer.

Thornhill decided to quit university and began working at Eastern Securities, a local investment company.

In the early 1950s, Thornhill and Mike Forrestall, now a member of Parliament for Dartmouth-Halifax East, became active in the young Progressive Conservatives and organized the first Dartmouth group.

As early as 1961, Thornhill, then 26, won Dartmouth's Ward 1 by acclamation.

Following five years as alderman, Thornhill ran against Joseph Zatzman, during the 1967 mayoralty campaign and won.



A portrait of the man

During the campaign, the Dartmouth Free Press (Dartmouth's weekly paper) carried Thornhill's promises for "judicious spending" of city funds.

"If elected as mayor, I will change the pay as you go" spending to a studious, sensible approach, he told the Free Press.

Following his election, the Free Press continued to cover Thornhill's ability to live up to his election promises.

Free Press editorial presented a rather critical view of Thornhill's proposed \$7.6 million hospital project for Dartmouth.

Although Thornhill said the costs could be "balanced by projected growth of industry and urban renewal," Free Press editors claimed the project was "financially unsound." (May 30, 1968 edition.)

Tom Davis, a city alderman at the time, recalled the hospital issue during an interview, Monday.

"Joe (Zatzman, previous mayor) made studies and couldn't recommend the city taking on the hospital," said Davis.

In February 1968, the city clerk-administrator told the mayor and 10 of the 14 alderman that a \$375,000 deficit could be expected for that year and that the council could not afford a \$7.6 million hospital project.

But the hospital was a "popular stand. . . I don't doubt in the back of Rollie's mind (that there were) political means (for supporting the hospital)," said Davis.

Davis said he "felt a bit of a scoundrel" for supporting the hospital project when he knew the council could not afford it. "Instead of having to

change their mind (referring to the councillors). . . instead of voting against it. . . the burden was taken off by the referendum."

In February 1968, Dartmouth citizens were given the opportunity to vote for or against the hospital and they rejected it.)

Davis explained that the plebiscite vote worked in favor of the city council. It was the people who decided they did not want to finance a \$7.6 million hospital, not the council.

Throughout the hospital issue, Thornhill was a well-liked man for supporting the idea, even if council could not afford it, said Davis.

"He is fantastic. . . Everyone likes him and he knows everybody. We all knew Rollie would run higher us", he said.

And to no one's amazement, Thornhill did continue to grow in popularity.

During the 1971 Conservative leadership campaign, Thornhill was the Conservatives' favorite next to the newly elected leader, John Buchanan.

Following the Conservative leadership campaign, Thornhill entered his second term as mayor of Dartmouth (won by acclamation.)

During the 1971 to 1973 term, city taxes were a controversial issue.

Although the city's expenses continued to grow, taxes remained near the 1966 level.

Council voted in 1973 to maintain the \$3.87 per \$100 assessment tax rate and violate the city charter by going into a financial deficit.

"The \$3.87 tax rate not only leaves a \$1.9 million deficit for

1973 but carries over deficits from last year" of approximately \$1 million, said the Free Press.

George Ibsen, alderman and fellow Conservative, accused Thornhill of allowing "political ambition to overshadow the public interest in dealing with this year's civic tax rate." □

Ibsen was referring to the up-coming provincial election in 1974 when Thornhill would run against Liberal cabinet minister Scott MacNutt.

The city council voted in favor of maintaining the tax rate at the 1972 level and budgeted for a deficit although they knew this was illegal.

"We knew it was illegal at the time, but we couldn't meet (the) services. Rather than put the taxes up twice as high. . . (we decided) to budget for a deficit", Davis explained.

Dartmouth had a "fairly high assessment tax rate" and the council felt "we couldn't tax the people anymore", said Davis.

However, Mike Marshall, Thornhill's New Democratic Party opponent in the 1978 provincial campaign said the high assessment tax rate was "natural" in a city that was growing faster than almost any other city in Canada.

During the tax issue, Thornhill admitted to a Free Press reporter that budgeting for a deficit was illegal but "let them (the provincial government) sue us," he added.

"The federal and provincial governments and 'even individuals', go into deficit financing when they are in a jam so the city should use that philosophy to get out of its jam," Thornhill told a Free Press reporter, March 14, 1973.

Frank Barber was among the aldermen in favor of deferring the tax increase.

"It's as illegal but who was going to sue the city?" said Barber, Monday, when looking back on the dispute.

Barber suggested that it was a bargaining tactic on the part of Dartmouth city council. By illegally budgeting for a deficit, city council hoped to receive a larger provincial grant.

And the province did come through with an \$8 million one-year per capita grant for the city council before the budget was made official.

When Thornhill left the municipal field for the Buchanan cabinet, Free Press reporters began an investigation into his spending habits as mayor.

"One of former mayor Roland Thornhill's favorite cautions to city council—"judicious spending"—may come back to haunt him in the near future as a Free Press investigation revealed that some of his incurred expenses while in office were anything but judicious:

Natal Day 1973 (Mayor Thornhill) cost the city \$4,000

Natal Day 1974 (Mayor Eileen Stubbs) cost the city \$600."

But Thornhill was moving up in the provincial field at this time. He became municipal critic, municipal and financial critic, and then financial critic of the Conservative party in 1976.

Opposition Leader Buchanan strongly supported Thornhill as a financial expert: "The Tories are darn lucky to have a man of (the) calibre of Thornhill as economic critic and economic advisor and if Rollie was in office the economy wouldn't be as bad as it is." (Hansard, March 8, 1978).

During Thornhill's period as financial critic, he suggested many new ideas to cope with regional disparities in Nova Scotia.

Concerned about the increasing freight rates, Thornhill suggested a postage rate for freight travel in February, 1978.

"It costs the same to mail a letter any place in the country and only when such a system is achieved with freight rates will manufacturing agencies be able to compete in the central Canada market," he told a Halifax Herald reporter.

W.O. Scott, general manager of Canadian Pacific Railways, Montreal, said Thornhill's proposal would cause "very substantial railway losses which. . . would ultimately fall upon the Canadian taxpayer", as the postage system works.

"I have no doubt that a large part of total transportation costs would have to be met out taxes, because under the proposal the railways' commercial viability would be completely destroyed. They could no longer operate as an

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