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VERBATIM REPORT
(Hansard)

Speaker: Honourable Thomas Lush

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The House met at 2:00 p.m.

MR. SPEAKER (Lush):
Order, please!

Before proceeding to Orders of the Day I would like, on behalf of hon. Members, to welcome to the House of Assembly today 50 Grade VI to IX students from the Pentecostal School, Port de Grave accompanied by their teachers, Sonya Hiscock, Karen Janes and Junior Taylor. Also we would like to welcome to the galleries 21 level 2 and 3 students from Victoria School in Gaultois and they are accompanied by two teachers, Mr. Ellis Coles and Ms. Marie Blanchard. We would also like to welcome to the galleries Mrs. Twomey, the wife of Former MHA and former Minister the late Dr. Twomey.

SOME HON. MEMBERS:
Hear, hear!

Statements by Ministers

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

MR. DICKS:
Thank you, Mr. Speaker.

Mr. Speaker, this is the statement I had prepared yesterday on the occasion I will mention in the statement, but because of the order of business for the day I did not get an opportunity to make it. However because of the importance of the occasion I felt that it was appropriate that I do so on the day subsequent.

I am therefore pleased to note that yesterday was celebrated as the International Day for the Elimination of Racial Discrimination.

This day is historically important and serves to give us a special annual reminder of the importance of remaining vigilant against racism, prejudice and discrimination which are so harmful to society.

March 21 was first declared as International Day for the Elimination of Racial Discrimination by the United Nations General Assembly in 1966, in the remembrance of the day in 1960 when more than 70 peaceful demonstrators against apartheid were killed and over 180 were wounded in Sharpeville, South Africa.

Then, in 1983, the United Nations declared the decade from 1983 to 1993 as the Second Decade for Action to Combat Racial Discrimination.

In order to participate more fully in the Second Decade, the Federal, Provincial and Territorial Governments agreed to officially commemorate March 21 as the International Day for the Elimination of Racial Discrimination.

In recognition of that day, we as a Province declared March 21 as that day.

As well, yesterday was issued a proclamation inviting all Members of Newfoundland and Labrador society to respect and promote the dignity and human rights of everyone in accordance with the principles ascribed to it by the United Nations. Members will find a copy of the proclamation attached to this copy with my signature.
MR. SPEAKER:
The hon. the Member for Humber East.

MS VERGE:
Thank you, Mr. Speaker. On behalf of the Official Opposition, I would like to endorse the words and sentiments in the proclamation of the Minister of yesterday being commemorated in our Province the same as other Canadian jurisdictions and other U.N. Member Nations as The Annual Day for the Elimination of Racial Discrimination.

I was honoured to represent our Province at a national meeting in September of 1988 when all Canadian jurisdictions agreed to observe this U.N. Day, March 21, each year.

While it is fine for all of us to voice platitudes about the evils of racial discrimination and urge racial tolerance, that is easy when we live in a community or in a Province where just about everyone is of the same race. I think we are all tested though when we meet and deal with people of other races. The people of our Province are being tested that way now when we have in our midst about 2000 Eastern Europeans refugees.

I think rather than simply mouthing platitudes in observing this UN day to end racial discrimination we would be achieving much more if we would act by doing things that demonstrate we appreciate having people from Eastern Europe in our midst. We respect the human dignity of each and every one of those people, and to show that we separate the issue of which Canadian jurisdiction, the Federal Government versus the Provincial Government paying for the cost of housing and feeding these people pending their immigration hearings. From the way we feel about those individuals as human beings I think sadly the wrong message has got out about the position of the Government of Newfoundland and Labrador. I think it is incumbent upon the Minister of Justice as the Minister responsible for human rights, as well as the Premier and other Ministers to get across a different message from that put across so far. Perhaps we should follow the lead of the Mayor of St. John's who spoke yesterday about the need for the community

MR. SPEAKER:
Order, please!

I ask the hon. Member to sit please.

MS VERGE:
Thank you.

MR. SPEAKER:
This particular Speaker has not been enforcing rules that have been applied by previous Speakers with respect to Statements by Ministers. I have been giving a great degree of levity despite reflections yesterday with respect to freedom of speech in this kind of thing. But I would want to remind hon. Members, our Standing Orders say nothing on it, but previous Speakers have said half the time. I have always thought that was rather silly - to give somebody half the time. Beauchesne and the Rules of the House of Commons state that in no case should it take more time than it took the Minister to make the statement, but the Member now is getting into more time than it took the Minister so I would ask her to clue up her remarks.
MS VERGE:
Thank you, Mr. Speaker.

I had actually expressed everything that I intended to say and I apologize for running slightly over time.

Thank you.

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

DR. WARREN:
Mr. Speaker, because of the importance of education in the elimination of racial discrimination in Canada I would like to add a few words to those of my colleague.

Mr. Speaker, you will be pleased to note that this year the Department of Education has been very active in promoting human rights and multicultural education in our school curriculum. We have just implemented two major modules on this topic in the senior high school social studies course and that course is entitled Canadian Issues 1201. Furthermore, the recently implemented grade 8 course on World Cultures emphasizes the importance of tolerance and harmony among different cultural groups.

This month, Mr. Speaker, I am very pleased to announce my Department established a Multicultural Education Committee. This Committee is made up of educators and members of the local multicultural organizations. The mandate of this committee is two fold: 1. To examine the status of multicultural policy in the provincial departments across Canada. 2. Through consultation with local groups concerned, to draft a provincial multicultural policy for the Department of Education, of the Government of Newfoundland and Labrador.

Mr. Speaker, the Department of Education will continue to do its utmost to recognize the rights and contributions of our multicultural communities and it will begin by developing a multicultural educational policy for the Province.

I might add that the Department of Education has also been playing a major role in assisting the Newfoundland and Labrador Human Rights Association in its local initiatives at the school level. This includes the distribution of resource materials for both teachers and students and assisting in the organization of a local conference on cross cultural understanding. Yesterday at this time I was addressing that Conference here in St. John's.

Mr. Speaker, these educational initiatives are of greatest importance in today's time when we hear and read comments that denigrate the minority groups, not in other parts of the world, but in our own country - a country known for its tolerance and peace-keeping role in the world.

Mr. Speaker, the Government of Newfoundland and Labrador and the Department of Education believe that the Canadian dream of a better and fairer Canada is possible and we will do our utmost to make this dream a reality.

Thank you very much.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
The hon. the Member for St. Mary's - The Capes.
MR. HEARN:
Thank you very much, Mr. Speaker. Let me say, thank you to the Minister for, and providing me with a copy of the statement, and also say to him that we also share a dream for a better and fairer Canada. I would say that when I first got the statement, the first word that hit me was discrimination. I thought the Minister was going to make a statement on the Budget and how he discriminated against the students in rural Newfoundland by doing very little for the primary and elementary sections.

He also mentioned and emphasized the words 'This year we have implemented two major modules in the senior high school, The Canadian Issues 1201 and World Cultures' and I would remind the Minister that courses for the high school are not implemented within a few weeks or days or months, it takes quite some time. This work was begun long before the Minister came to the Department, so we can take some credit for that. We appreciate the fact that he has set up a committee to look at the multicultural issue, however, hopefully there will be some substance to the work of the committee and not just a further study.

But there is one important statement or part of the statement that stands out and the Minister drew attention to the fact, that even today, he is very concerned when we hear and read comments that denigrate the minority groups, not in other parts of the world but in our own country, and I presume here, he is referring to the Premier's comments made in respect to the people of Quebec, and I certainly appreciate the Minister's stand on that. We agree with the Minister there, Mr. Speaker, and we also, as I said earlier, are proud to associate ourselves with him in agreeing that our young people who are coming through the school systems will perhaps help us develop that better and fairer Canada, the Canadian dream we all dream about.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
Before calling Oral Questions, the Chair would just like to bring to hon. Members' attention Standing Orders to which I should have alluded to yesterday but will do so today, our own Standing Order, Section 31 (f). Hon. Members will know why I raise this. This is probably one of the most important of the Standing Orders we have. It is with respect to Question Period, and it is 31 (f), page 11, and it says 'The Speaker's rulings relating to oral questions are not debatable or subject to appeal.'

Oral Questions

MR. RIDEOUT:
Mr. Speaker.

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

MR. RIDEOUT:
Thank you, Mr. Speaker.

Mr. Speaker, I have a very short, very precise, no-nonsense, no-preamble question for the Minister of Finance (Dr. Kitchen). Will the Minister of Finance tell this House whether or not the payroll of Memorial University of Newfoundland and Labrador is subject to the
Government's new payroll tax?

**DR. KITCHEN:**
Mr. Speaker.

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

**DR. KITCHEN:**
Mr. Speaker, I will answer that question in the time I said.

**MR. SIMMS:**
Stop playing games, boy!

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

**MR. RIDEOUT:**
Mr. Speaker, with the same remarks that I introduced the first question, will the Minister tell the House whether or not the payroll of Newfoundland and Labrador Development Corporation is subject to the Minister's payroll tax?

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

**DR. KITCHEN:**
The same answer, Mr. Speaker.

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

**MR. RIDEOUT:**
You will note, Mr. Speaker, and everybody will note that the same answer is no answer. Let me try the Minister again, Mr. Speaker. Will the Minister tell the House whether or not the payroll of Newfoundland and Labrador Hardwoods Limited is subject to the Minister's payroll tax?

**MR. SIMMS:**
Answer the people, boy!

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

**DR. KITCHEN:**
Mr. Speaker, I indicated before, and I do not want to get into the long answer I gave yesterday, but I am going to make a definitive statement shortly respecting as many of these points as possible. I would like hon. Members opposite to realize that we are not doing that in a capricious fashion, we are doing it to clarify matters in an appropriate way.

**MR. WINDSOR:**
You brought in the Budget a week ago, and you still do not know what you had in it.

**MR. RIDEOUT:**
A supplementary, Mr. Speaker.

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

**MR. RIDEOUT:**
Mr. Speaker, let the record show that one week to the day, after the Minister bringing down his Budget and announcing the payroll tax, he still cannot tell employers of this Province and the people of this House what corporations, if any, are subject to the tax.

**MR. SIMMS:**
Shame! Shameful!

**MR. RIDEOUT:**
Mr. Speaker, the Minister can take his seat. I have not yet asked my supplementary. We can tell by his previous answers he is really anxious to come to his feet with answers, Mr. Speaker.

Let me ask the Minister this, Mr. Speaker. Will the Minister tell the House whether or not the
payroll of school boards in the Province of Newfoundland and Labrador is subject to the Minister's payroll tax?

**MR. WINDSOR:**
Or the Canadian Red Cross or the HUB.

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

**DR. KITCHEN:**
Mr. Speaker, I give the same answer.

**AN HON. MEMBER:**
You do not know.

**MR. SIMMS:**
What an answer!

**WRINDSOR:**
Why do you not resign? (Inaudible).

**MR. WOODFORD:**
Mr. Speaker.

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

**MR. WOODFORD:**
Mr. Speaker, my question will also be to the Minister of Finance.

In view of the fact, Mr. Speaker, that the Government in its Budget of last week introduced a payroll tax of 1.5 per cent, and in view of the fact that in the last few days there has been mass confusion with regard to the answers given by the Minister pertaining to certain corporations and Crown corporations in the Province, could the Minister tell the House whether or not Newfoundland Hydro would be exempt from the tax?

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

**DR. KITCHEN:**
Mr. Speaker, I, as I said before, will be making a definitive statement on this matter shortly. I know the answers to these questions, but I am not going to release all these details at the moment.

**MR. WOODFORD:**
A supplementary, Mr. Speaker.

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

**MR. WOODFORD:**
In a statement made by the Minister yesterday, Hansard, Page 114, he said, "According to Section 125 of the British North America Act 'No lands or property belonging to Canada or any province shall be liable to taxation.' Would it be logical to assume, Mr. Speaker, that Newfoundland Hydro would be one of these so-called lands and buildings, property?

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

**DR. KITCHEN:**
Mr. Speaker, as I said before, I will be making a statement about all this shortly. Let me say this, though -- and I have said it before -- that as far as all these institutions are concerned, the people of the Province will not be adversely affected.

**MR. WINDSOR:**
By $15 million taxation? Merry Christmas!

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

**MR. WOODFORD:**
Because Newfoundland Hydro, in the
next couple of weeks, will be making a request for a 4.5 per cent increase for each of the next three years, it would be logical to assume, I suppose, that the 1.5, which is an employer's payroll tax, would be added to this 4.5 per cent, whether they request it next week or not. All the companies, all the utilities in the Province, Newfoundland Tel, Newfoundland Light, the cable companies and Newfoundland Hydro will be looking for this increase one way or the other. Based on past experience, Newfoundland Light and Newfoundland Tel, all those private corporations, automatically go to PUB for an increase in their rates.

Mr. Speaker, I ask the Minister, is it not true that if it does not apply to Newfoundland Hydro, then it definitely applies to the other utilities in the Province? So it would be only right to assume that they will be back for an increase fairly soon, which would put electricity bills up by about 30 per cent over the next three years. Is this true, or is it not true?

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

DR. KITCHEN:
Mr. Speaker, before the Budget was presented, hon. Members opposite were announcing what was going to be in it. They were wrong. Now, they are attempting to stir up tremendous -

MR. WINDSOR:
(Inaudible) wrong about this one.

DR. KITCHEN:
I am going to make these statements shortly. I am not going to make them today. Thank you, Sir.

MR. RIDEOUT:
Mr. Speaker.

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

MR. RIDEOUT:
Let me remind the Minister of Finance that the Opposition floated certain ideas coming from the Minister and the President of Treasury of Board, and when we blew the roost, the Minister put in this bungled, stupid tax, Mr. Speaker. That is what happened. It was brought in with no planning. The Minister does not know yet what this tax means.

Now, let me ask the Minister this, Mr. Speaker: It has been a week since he brought down his Budget. How can he expect Crown corporations, Memorial University and anybody else in that category out there, hospitals, school boards, hanging under the threat of this payroll tax, to finalize their budgets, number one; and, number two, how can the Minister project revenues with any sense of fairness and accuracy when he does not know yet whether he is going to be able to tax them or not? Where is the Minister getting his numbers?

SOME HON. MEMBERS:
Hear, hear!

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

DR. KITCHEN:
Mr. Speaker, the level of questioning from the Opposition is getting ever worse. I have answered these questions three times in a row. Yesterday, I said we were projecting a $15 million take from this tax this current year, and that is the firm
figure. Next year, it will be $25 million. These figures are firm. No one needs worry about that. They are as firm as anyone can make, and that is actually correct. I will be making a statement shortly as to the way it will be distributed.

MR. HEARN:
Mr. Speaker.

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

MR. HEARN:
Thank you, Mr. Speaker.

A few days ago, before he realized the mess he was in, the Minister did admit that the tax would apply to food products being trucked into the Province, they would apply at the wholesale level and they would apply at the retail level. Indeed, he said yes in answer to my questions. We also have an indication that it will be applied to light bills, cable bills and other consumer goods.

I ask the Minister then, has the Minister calculated the cost to the average Newfoundland family of this regressive, sneaky and deceptive tax?

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

DR. KITCHEN:
Two points, Mr. Speaker, I wish to make.

When the crowd Opposite were there, there was no trouble to know what they did. They raised the sales tax from 10 per cent to 12 per cent. That is what they did, and thereby took $90 million out of the people of this Province, directly on the people of the Province. On every dollar they spent, they had to pay an extra 2 per cent. That is what they did. This little tax that we put on, which will be largely recoverable from income tax, has very little, almost miniscule, impact on the people of this Province. It is no good for them to shout and bawl and make questions, the point is they cannot make something from what it is not.

Let me say something else with respect to that Budget, Mr. Speaker. My desk is piled high with letters of congratulations.

The Premier has letters on Meech Lake, he has tremendous correspondence, but my correspondence on the Premier's correspondence on Meech Lake.

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

MR. HEARN:
Thank you, Mr. Speaker.

Let me say to the hon. Minister of Finance that whatever money we took from the people of Newfoundland we took it up-front. We did not sneak around and pick it out of their back pockets.

The Minister has refused to answer the question, how much it is going to cost the average Newfoundland family? because he does not know. He has admitted that the tax will bring in $15 million this year and $25 million next year. We know it will be passed on to the common consumer so I ask him, does he have any sympathy for the average Newfoundland family planning a budget on their meager incomes, in their own houses, in their own
kitchens?

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

DR. KITCHEN:
Mr. Speaker, the hon. Member said that when they taxed they taxed up-front. I guarantee you that when they spent they spent it up-front too, mostly on themselves.

We have seen the travelling expenses, Mr. Speaker. We have seen them, have we not? Some of them spent $250,000 flicking around from here and there. Now, we are a frugal Government, we are cutting back and we will continue to cut back. When your buddies in Ottawa take money from the health care and post-secondary education systems, we will recoup that money and put it back in. That is what we are doing.

MR. A. SNOW:
Mr. Speaker.

MR. SPEAKER:
Just before recognizing the hon. the Member for Menihek I would like to remind hon. Members on both sides of the House that when a question is asked, it is asked for information and should not include information that is debatable. And to hon. Ministers, when they are answering, they should answer likewise, not with items that are debatable, but answer the facts.

The hon. the Member for Menihek.

MR. A. SNOW:
Mr. Speaker, my question is also to the Minister of Finance, and it concerns something that goes along the lines of previous questions, of who is in and who is out. The mining industry is definitely in, if you mean included in the taxation of the payroll tax, probably computed to be about $1.5 million or $2 million coming out of the mining industry.

We know who is out in Western Labrador, Mr. Speaker, and that is the people who were applying for a travel subsidy program, a program that was instituted twenty-four years ago, a program to help alleviate the feeling of alienation that was developing between the Island portion of the Province and the Labrador portion of the Province, a program I believed worked, a program the people of Labrador believed worked. I want to ask the hon. Minister why this program was discontinued, and what criteria was used on which to base his decision?

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

DR. KITCHEN:
Mr. Speaker, there is no doubt that somethings we looked at in the Budget are going to be looked at as being hurtful to some people. But when you bring in a Budget that is designed to pare expenses and to spend money wisely, money that you have to raise taxes to recoup, money the Federal Government is withdrawing from us, we have to be very careful. A number of programs were axed. There is no doubt about it, we axed those programs we felt were least necessary, and that is why we axed these programs.

AN HON. MEMBER:
What does the hon. the Minister of Environment (Mr. Kelland) think about it?

MR. A. SNOW:
Mr. Speaker, I am not sure I heard that.
MR. SPEAKER:
Order, please!

I have not recognized the hon. Member.

The hon. the Member for Mihekek.

MR. A. SNOW:
I am not sure whether I heard the Minister properly or not. Did the Minister suggest that he cut that program because it was the least necessary, it was the least thing he could cut from the people of Labrador?

AN HON. MEMBER:
(Inaudible) the Minister's salary, I would say.

MR. A. SNOW:
Well, Mr. Speaker, there are other things that could have been cut. Maybe some of the salaries that were given.

I wonder if the Minister could respond to another question? Exactly how much money did this Government save in one year by chopping this particular program?

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

DR. KITCHEN:
Mr. Speaker, I know it is not a large amount of money by comparison with some of the millions we have spent. I might add, as I understand it, and I am subject to correction by people who know these programs more appropriately than I -

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

I have again noticed hon. Members to my right constantly interfering when a question is being answered. The Chair is having great difficulty listening to the answer. I am trying to listen to the answer so I can decide if the Minister is wasting the time of the House, but it is very difficult when Members constantly keep interrupting. Our Orders are clear on that. Nobody is supposed to interrupt another speaker.

The hon. the Minister of Finance.

DR. KITCHEN:
Yes, Mr. Speaker, there are programs in place still, as I understand it, by which some residents of Labrador can be subsidized, or get money back from their income tax as a result of programs. It is not as if there were no programs in place.

MR. SPEAKER:
The hon. the Member for Mihekek.

MR. A. SNOW:
I cannot believe it, Mr. Speaker, that the Minister of Finance of this Province - I recognize that in last year's Budget he announced his dissatisfaction with the Federal Government giving the people of Labrador a tax benefit. He announced then, in that Budget, that he was against it. He is now suggesting that because of the benefit that was conferred on residents of Labrador, he is going to take any tax benefit from them that was given by the Federal Government. You are not hitting the Federal Government, you are hitting the people of Labrador.

My supplementary question, Mr. Speaker, is to the Minister of Works, Services and Transportation (Mr. Gilbert). In light of the fact that this program has been
cut and it has been at the suggestion. I believe through media reports, of the Minister, can he outline to the people to the people of Labrador why this was cut?

MR. SPEAKER:
The hon. the Minister of Works, Services and Transportation.

MR. GILBERT:
Mr. Speaker, the program was cut as part of the budgetary process. As hon. Members know, the Province had to bring in a Budget and it was affected somewhat by conditions that were imposed upon us by the Federal Government.

SOME HON. MEMBERS:
Oh, oh!

MR. GILBERT:
Over the last four years, Mr. Speaker, something like $100 million in transfer payment has been cut from the Provincial Budget by Ottawa, so we had to look at the program and assess what was happening. And we saw what has happened since our Budget was brought down, the Prime Minister has been able to give $182 million to the Caribbean, yet we find that in Newfoundland the amount of money we have to operate, the transfer payments, is continually cut from year to year. We are the only Province in Canada that had to sell a railway to try and get a road system built up.

With this program, Mr. Speaker, we had to look at the overall picture. When the Budget was made up we had to have money for health care, education and economic development, and with that in mind, we had to cut.

SOME HON. MEMBERS:

Sit down! Sit down!

MR. SPEAKER:
Order, please!

I want to remind hon. Members to my right that the Chair is not going to be intimidated, the Chair is going to listen to the answer. And if hon. Members will permit me to listen to the answers, I will make the judgement on when the answer is finished.

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

I ask the hon. the Minister of Works, Services and Transportation to finish up, please, very quickly.

MR. GILBERT:
Mr. Speaker, the Member asked me why we cut the program, and I am trying to give the answer as to why the program was cut.

MR. HODDER:
He did not say programs, he said that program.

MR. GILBERT:
Yes, and this is why I am telling him. Be patient! I am saying that we had to cut the program, and the reason was that there was a need to carry on with the opening of hospital beds that the previous administration had closed, to hire nurses where the other people had cut back.

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
I again ask hon. Members to please remain silent. The Speaker knows when he is going to ask the hon. the Minister of Works, Services
and Transportation to sit down, and I want no prompting from either side of the House as to when I am going to do it. I ask the hon. the Minister of Works, Services and Transportation to finish up in less than 50 seconds.

MR. GILBERT:
Mr. Speaker, this program was introduced in 1970 and we found it was used less and less during the years. There was a gradual reduction in the amount of use of this program. It averaged out at $46 per each application that came in last year, and it was felt that it was not serving a useful purpose. There is still a subsidy in place in Labrador - the coast of Labrador - the Province is still maintaining a subsidy somewhere in the vicinity of $2 million to provide air subsidy to the people of Labrador.

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

MR. A. SNOW:
Mr. Speaker, I would ask the hon. Minister to table exactly where he got the figure of $46 as the average subsidy for a ticket coming out of Labrador. I would also suggest to him that while, indeed, yes, there is a subsidy on the coast of Labrador, you are talking apples and oranges here. I am asking about a subsidy for air fares back and forth from the Labrador portion of the Province to the Island portion of the Province, not within Labrador.

MR. SPEAKER:
The hon. the Minister of Works, Services and Transportation.

MR. GILBERT:
I will get that information and table it for the hon. Member.

MR. SPEAKER:
The hon. the Member for Burin - Placentia West.

MR. TOBIN:
Mr. Speaker, let me say to the Minister of Works, Services and Transportation the facts are that the Federal Government equalization payments have increased this year by $27 million more to the Province than last year, and the Federal Government's contribution to the Province this year is $42 million over and above what their contribution was last year. Those are the facts, Mr. Speaker, that is the truth, that it not lies.

Now, Mr. Speaker, let me say to the Minister of Finance, we all recognize, Sir, that you have brought in the most devious document that was ever delivered in this Assembly. You have confirmed that your evil -

MR. SPEAKER:
Order, please!

Again, I was assuming that the hon. Member had a question for the Minister of Works, Services and Transportation. I have to say to the hon. Member that we cannot allow that kind of thing. The hon. Member was asking a question of the Minister of Finance and is not permitted to make a comment, in the future, on another Minister's answer.

AN HON. MEMBER:
He can ask a question of him if he wants to.

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

If the Member would like to ask his question again.
MR. TOBIN:
Mr. Speaker, I would like to ask a question to the Minister of Finance, if I may, Sir, please!

MR. SPEAKER:
Yes.

MR. TOBIN:
Now, Sir, that you have given me permission to ask a question of the Minister of Finance, let me say that in this devious and evil document he introduced in the House of Assembly, he has confirmed that he has applied the tax at least three times to the grocery bill of the consumer in this Province. He has not denied that it will be applied to the hydro and electricity bills in this Province, at least twice. Let me ask the Minister if he will be honest and truthful in the House and if he will tell us if it will apply to municipalities which have a payroll of over $300,000?

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

DR. KITCHEN:
Mr. Speaker, I will, as I said earlier, seventeen times, make a complete statement about all these matters in a short time. I might add, Mr. Speaker, just to refute what the Member has said, that amongst the letters I have received there was one yesterday which said, 'I have been watching provincial budgets for fifty years, and this is the best one that has ever been presented.'

MR. WINDSOR:
You might be fooling yourself, but you are not fooling anybody else. Self-praise is no praise.

MR. SPEAKER:
The hon. the Member for Burin - Placentia West.

MR. TOBIN:
Mr. Speaker, I would not suggest it is the best Budget that has been delivered in the past fifty years, but it is the most devious Budget that has ever been delivered in the life of this Assembly.

Can the Minister of Finance assure municipalities which have a payroll of over $300,000 that the budgets which they have submitted to the Department of Municipal Affairs, and have been approved, that you, Sir, nor the Government will ask that any changes be made to them related to the payroll tax?

MR. SIMMS:
No answer?

MR. SPEAKER:
The hon. the Member for Burin - Placentia West.

MR. TOBIN:
Mr. Speaker, will the Minister of Finance assure municipalities in this Province which have a payroll in excess of $300,000 that the payroll tax will not apply to them?

MR. MATTHEWS:
Same answer. Ditto.

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

MR. WARREN:
Thank you, Mr. Speaker.

Mr. Speaker, in Labrador there are three foreign air forces operating, namely, the German Air Force, the Dutch Air Force and the British Air Force. Their payroll in a year is in the millions of dollars. I ask the Minister, are they subject to the payroll tax?

MR. PARSONS:
My, Mr. Speaker, this is terrible!

SOME HON. MEMBERS:
Oh, oh!

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

MR. WARREN:
Mr. Speaker, my question is to the Minister of Environment and Lands, the Labrador Minister in the Cabinet of this Government. Has the Minister objected to this payroll tax applying to the German Air Force, the Dutch Air Force and the British Air Force? And has the Minister had any input into this Budget that is going to cut the people of Labrador right to the core?

MR. SPEAKER:
The hon. the Minister of Environment and Lands.

MR. KELLAND:
I will try to withstand that withering attack, Mr. Speaker.

Any discussion I have as a Cabinet Minister is a matter of Cabinet confidentiality. I am sure, in his short-lived term as a Minister, the hon. Member knows that.

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

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

My question is also to the Minister of Finance. My preamble is going to be very short, and I am almost positive the Minister will answer. In his Budget, in Culture, Historic sites and Youth there is a shortfall of approximately $700,000. Now, you can look at the subheads, but I would like to ask the Minister to tell this House where this shortfall is specifically. It is a reduction of close to $700,000 from last year. Would the Minister inform the House where it is coming from?

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
The hon. the Minister of Municipal and Provincial Affairs.

MR. GULLAGE:
Mr. Speaker, I can only take the question under advisement. I am not aware that such a shortfall exists, but I will certainly look into it and report back to the House.

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

MR. PARSONS:
Thank you, Mr. Speaker.

My question now, then, is to the Minister of Municipal and Provincial Affairs. We know that two Directors, high ranking officials of Culture and Historic sites, have left the employ of Government, and I would like the Minister to tell this House, because of the importance of those positions, if the Minister has the money in the Budget for the replacement of those two positions which were lost?

MR. SPEAKER:
The hon. the Minister of Municipal and Provincial Affairs.

MR. GULLAGE:
Mr. Speaker, there is only one position of which I am aware. If there are two, I would like to
know where they are. However, there is only one position which is vacant, and we are awaiting the Arts Committee Study, which is due in my office by the end of this month, and that Study will make recommendations on an arts policy for the Province. The position to which he refers, Director of Cultural Affairs, will be filled after that study is examined by Government and we decide on the mandate of the various Arts and Culture Centres, and, in fact, decide on the recommendations of the Arts Study Committee.

MR. SPEAKER:
The hon. the Member for St. John's East Extern. Half a minute.

MR. PARSONS:
I would like to remind the Minister that there are two. There is one acting at the present time, but there are two, Historic sites and Cultural Affairs. My final supplementary, Mr. Speaker, is again to the Minister. From an article in last weekend's paper, I am assuming that there is a conflict within the arts community as it pertains to monies being spent. I want to ask the Minister if there is a conflict, and would he explain to the House why there is such a conflict?

MR. SPEAKER:
The hon. the Minister of Municipal and Provincial Affairs.

MR. GULLAGE:
Mr. Speaker, I am not aware of any conflict within the arts community as to how the money is being spent. Nobody has phoned and nobody has written me complaining about the arts money and how it is spent, and how it is being disbursed within the various divisions of the Culture Department. If the Member has any concern, perhaps he should let it be known. But it has not been conveyed to me.

MR. SPEAKER:
Question Period has expired.

Notices of Motion

PREMIER WELLS:
Mr. Speaker.

MR. SPEAKER:
The hon. the Premier.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
Thank you, Mr. Speaker.

Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following Resolution:

WHEREAS by a Resolution dated the 7th day of July, 1988 the House of Assembly of the Province of Newfoundland resolved that an amendment to the Constitution of Canada be authorized to be made by proclamation issued by Her Excellency the Governor General under the Great Seal of Canada in accordance with amendments set out in the schedule attached thereto:

AND WHEREAS this House does not agree that the amendment authorized will achieve its stated purpose of recognizing the principle of equality of all the provinces or providing new arrangements that will foster greater harmony and co-operation between the Government of Canada and the governments of the provinces;

AND WHEREAS the Government of this Province is concerned that the
overall long-term effect of implementation of the said amendment will be to continue indefinitely the regional economic disparity that presently exists in Canada;

AND WHEREAS this House shares those concerns and the grave concerns of certain provinces and various interest groups and concerned citizens that the authorized amendment may be interpreted to diminish guaranteed rights under the Charter of Rights and Freedoms, to create a special legislative status for one province, to reduce or erode effective national shared cost programs, to render effective Senate reform virtually impossible, and to inhibit the governments and legislatures of Canada from honouring the commitments to promote equal opportunities for the well-being of Canadians, to reduce disparity in opportunities and to provide essential public services of reasonable quality to all Canadians as set out in section 36 (1) of the Constitution Act 1982;

AND WHEREAS Section 46 (2) of the Constitution Act, 1982 specifically provides that a resolution of assent made for the purposes of amending the Constitution of Canada may be revoked at any time before the issue of a proclamation authorized by it;

NOW THEREFORE the House of Assembly of the Province of Newfoundland pursuant to Section 46(2) of the Constitution Act, 1982 resolves that the 'Resolution to authorize the amendment to the Constitution of Canada adopted and approved on the 7th day of July, 1988, be and it is hereby revoked;

AND the House of Assembly of the Province of Newfoundland further resolves that an amendment to the Constitution of Canada be authorized to be made by proclamation issued by His Excellency the Governor General under the Great Seal of Canada in accordance with the schedule hereto either:

upon approval of the said amendment by a majority of the electors of Newfoundland and Labrador in a province-wide referendum; or

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
- upon the approval of the said amendment by a majority of the electors of Canada in a nation-wide referendum, notwithstanding that approval may have been rejected in a previous province-wide referendum;

and the Speaker is hereby authorized, upon receipt by the Speaker of a certificate from the official designated by the Lieutenant Governor in Council, or the Governor General in Council, as the case may be, confirming that any such referendum approved the said amendment by an absolute majority of valid votes cast, to certify to His Excellency the Governor General authorization of the said amendment by this House;

AND the House of Assembly of the Province of Newfoundland further resolves to authorize and hereby authorizes the Lieutenant Governor in Council to provide for such a province-wide referendum, if it is deemed necessary, and conduct the same either as a plebiscite under section 169 of the Election Act or in such other manner and at such
time as the Lieutenant Governor in Council shall prescribe.

Thank you.

SOME HON. MEMBERS:
Hear, hear!

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

MR. RIDEOUT:
Mr. Speaker, I would like to take the opportunity today to give notice of a pro-Canadian resolution that I will introduce.

SOME HON. MEMBERS:
Hear, hear!

MR. RIDEOUT:
Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following resolution:

WHEREAS the Province of Quebec was not a signatory to the patriation of the Constitution in 1982;

AND WHEREAS the Meech Lake Constitutional Accord for the first time brought Quebec fully into the Canadian Constitutional process;

AND WHEREAS the full participation of Quebec in Canadian constitutional reform is necessary before there can be amendments to the Constitution with respect to the fisheries jurisdiction and Senate reform;

AND WHEREAS the deadline for ratification of the Meech Lake Constitutional Accord is June 23, 1990;

AND WHEREAS the House of Assembly of Newfoundland and Labrador ratified the Meech Lake Constitutional Accord on July 7, 1988;

AND WHEREAS the legislatures of New Brunswick and Manitoba have not yet ratified the Meech Lake Constitutional Accord;

AND WHEREAS the Government of New Brunswick has introduced a resolution to ratify the Meech Lake Constitutional Accord in their legislature together with a resolution to further amend the Constitution;

AND WHEREAS this initiative undertaken by the Government of New Brunswick is a constructive proposal which may lead to the ratification of the Meech Lake Constitutional Accord and may allow for further constitutional reforms;

AND WHEREAS it is important that no action be taken by any one jurisdiction to foreclose the possibility of a successful conclusion to the process which is now underway to salvage the Meech Lake Constitutional Accord;

AND WHEREAS any action taken by the Government of Newfoundland and Labrador which would have the effect of rescinding the approval by the Honourable House of the Meech Lake Constitutional Accord would be unhelpful in bringing about a successful conclusion to the present constitutional reform process; now

THEREFORE BE IT RESOLVED that this Honourable House commend the Government of New Brunswick for its conciliatory approach to the resolution of the current constitutional impasse; and

BE IT FURTHER RESOLVED that this Honourable House urge the Government of Newfoundland and Labrador to adopt an equally
constructive and flexible constitutional position and work with the Governments of Canada and the Governments of the other provinces to bring Quebec fully into the Canadian constitutional family; and

BE IT FURTHER RESOLVED that the Government of Newfoundland and Labrador refrain from proceeding with a resolution which would have the effect of rescinding the approval by this Honourable House of the Meech Lake Constitutional Accord.

SOME HON. MEMBERS:
Hear, hear!

Answers to Questions for which Notice has been Given

MR. KELLAND:
Mr. Speaker.

MR. SPEAKER:
The hon. the Minister of Environment and Lands.

MR. KELLAND:
Thank you, Mr. Speaker.

The House may recall that a few days ago - ten days or so ago, I guess - we announced Bay du Nord and Middle Ridge wilderness and wildlife reserve areas. At that time, the hon. the Member for St. John's East Extern, in his response, raised a couple of questions. I do not have prepared, typed answers, but I can provide him with the information he requested at that time, if that is appropriate, Mr. Speaker.

The hon. Member asked if a permit would be required to enter the reserve. As is the case with the Avalon Wilderness Reserve, a permit will be required. I did not have the opportunity to answer it that day.

MR. R. AYLWARD:
Shame! Shame!

MR. KELLAND:
The Member for Kilbride (Mr. R. Aylward) says, 'shame'. He will recall that the Avalon Reserve was designated under his administration, and I believe a permit is required there. However, that is a point. The details of the permit, Mr. Speaker, are that they will be issued free. The acquisition will not be onerous in any way, because they can be issued for any periods up to six months, and there is no charge. The purpose of that, for the hon. Member's information, is for the management and control of the reserve area.

MR. R. AYLWARD:
(Inaudible).

MR. KELLAND:
The hon. the Member for Kilbride insists that it is wrong. However, that is the regulation to be part of our management plan, Mr. Speaker. In providing the information to the Member for St. John's East Extern, the permits will be required, they will be free, they will be issued for periods of up to six months, and they will be available at many communities very close to the Park, usually from Government offices I would think. But those details will be made public a little later on, as to where they can be obtained.

SOME HON. MEMBERS:
Oh, oh!

MR. KELLAND:
He also asked questions with respect to - Mr. Speaker, with due respect, I am trying to give answers to an hon. Member who raised some questions a couple of days ago, and I have a couple of other hon. Members in the front benches there interrupting and preventing me from adequately responding to earlier questions, notably the Member for Kilbride and a couple of others, and I ask for order.

MR. SPEAKER: Order, please!

MR. KELLAND: Mr. Speaker, he raised some questions on cabins. There are some cabins in there in nonsensitive areas, which were there before the declaration of a provisional reserve, and they will be allowed to remain. However, in the event that owners of those cabins wish to sell the cabins, the Government will be given the first opportunity to purchase those properties. Illegal cabins will be removed from the reserve, and there are some cabins that were given conditional permits. That was done by the former administration, by the way. Conditional permits indicate that in the event full reserve status is awarded to that area, the cabins will have to be removed and the owners -

MR. TOBIN: Are you supporting (inaudible) in Labrador?

MR. KELLAND: I suggest that the hon. the Member for Burin - Placentia West await an opportunity to stand in Question Period and ask questions, as opposed to interrupting, Mr. Speaker.

MR. SPEAKER: Order, please!

I ask the hon. Member to take his seat, please. Hon. Members, again, can see what happens when they keep interfering when a Minister is answering a question; it just delays the process. I say to the hon. Minister, as well, when answering a written question the hon. Minister should be as brief as possible, because the same rules apply to written questions as to oral questions. If it is to be a lengthy answer, the Minister can do it under a Ministerial Statement.

I ask the Minister to finish up, please.

MR. KELLAND: I would just like to mention that I was providing the answers under Section (e) on the Order Paper.

That is basically it with respect to the cabins. The people who had the conditional approvals were aware in advance that if full reserve status was granted, they would have to remove their cabins. I believe that concludes that, Mr. Speaker. Thank you.

Orders of the Day

MR. BAKER: Motion 2, Mr. Speaker.

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

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

MR. SIMMS: Mr. Speaker, there is a matter that has been floating now for
quite some number of days, the matter of the Report of the Committee on Broadcasting. I understood from media reports, and so on, that the Chairman of the Committee, in tabling his report on behalf of the Committee, whenever it was, a week or more ago now, did not actually make the normal concurrence motion that would go with that. I understand from reports that he was prepared to do it, and I thought he was going to do it today.

As an Opposition, we would like to get on with this issue and have the matter debated. In fact, we are prepared to give leave to have the matter introduced today with limited debate, a couple of Members five minutes each, or something like that, so we can get on with allowing the broadcasting of the Legislature, which we agreed to months ago, in fact at the request of Your Honour.

I believe you will recall Your Honour asked the caucus if we were agreeable to it. We agreed then. We advised the Parliamentary Press Gallery that we were agreeable to it and then there was a Committee. The Committee reported quite some time ago, so we are quite prepared to give leave to at least allow the motion to be introduced — that only takes thirty seconds — so that we can at least have the item on the Order Paper. There is no excuse for delaying that. I wonder if the Government House Leader might be prepared to at least consider one, or both, of the requests? One, to give them leave to put the motion that is required to get it on the Order Paper, and two, if he is interested in wrapping up this matter quickly, we are quite prepared to do it in a matter of minutes.

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

MR. BAKER:
Thank you, Mr. Speaker.

I thank the hon. Member for his five or six minutes of grandstanding.

AN HON. MEMBER:
If you do not want to, say so, boy.

MR. SPEAKER:
Order, please!

MR. BAKER:
I say to hon. Members, if it were simply eliciting information, the Member could have spoken to me a half hour ago behind the curtain, or somewhere else.

SOME HON. MEMBERS:
Oh, oh!

MR. BAKER:
Mr. Speaker, when they want to hear the answer I will answer.

MR. WINDSOR:
That would be a nice change.

MR. MATTHEWS:
He is like a teacher in school, now.

MR. BAKER:
Mr. Speaker, the report has been tabled. It consists of five recommendations. The appropriate motion was not made at the time. I have asked the Committee Chairman to go back and get some more details on one of the recommendations, some backup information I thought would be useful to the House when the debate comes, and he has agreed to do that. As far as I know, it is ready now and tomorrow I am assuming the appropriate motion...
can be made. There is no attempt to hide anything from the hon. House. The hon. House has the report from the Committee, and that report will be brought forward as quickly as possible. The appropriate motion will be made very shortly.

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

MR. SIMMS:
Not to belabour the point, I understand you want more information, or whatever, and that could be addressed, so the answer to the question of whether we give leave to pass it today is obviously no we cannot do that, because all the information has not been received, as far as the Government House Leader is concerned. How about letting him make the motion, so that we get it on the Order Paper, at least so it is on the Order Paper. The motion is a simple motion. It is not a big lengthy motion, it is a concurrence motion as I understand it.

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

MR. BAKER:
Mr. Speaker, there is really no point of order. The Opposition House Leader still thinks he is Government House Leader. The motion will be made soon and I have already explained the hon. Member when this is possible. I would like to refer Your Honour to the fact that the calling of the motion would be at the discretion of the Government House Leader anyway.

MR. SPEAKER:
There is no point of order.
suspect the latter, to tell us what this new payroll tax is all about. Now how can the Government expect this hon. House to give approval of a billion dollars of expenditure, expenditure which is based upon raising revenues on a tax system which includes this new tax, this payroll tax on employers, when we do not have any information. How can hon. Members of this House, on either side, in justice, in honesty, and in integrity support a Resolution to vote a billion dollars of Interim Supply to the Government when the Government cannot tell us the basis on which this tax is being applied. The Minister of Finance can make all the silly faces he wants. He does not meet to because he is natural enough. The people of this Province, Mr. Chairman, are not amused. The Minister’s performance in this House has been abysmal. He has not answered a question. We saw him sit there today, and outright refuse – I would say at least twenty questions put to him. It was the same question dealing with various Crown Corporations and Agencies. Let me ask him another one. Is the Canadian Red Cross taxable, is the Hub taxable?

The Minister made a great deal in his Budget Speech of the fact that a million dollars is being given to the Hub, and I congratulate the Government for that. We welcome that. But is he taking money back on the other hand, is this a tax on disabled people, is it a tax on the Canadian Red Cross, is it a tax on hospitals and schools? Mr. Speaker, we do not know! We have no idea who is being taxed. How can this Government ask today for this House to approve a billion dollars, give them a blank cheque, on the strength of a little piece of paper that lists total figures for Departments, no details, when we know that there is a new tax being imposed and we do not know who is being taxed. What Member can stand in his place and vote for such a proposition, Mr. Chairman. How can they expect us to do that? The Government is refusing to give us the answers. And I would suggest to you, Mr. Chairman, they are refusing because the Minister of Finance does not know. Because he had bungled his Budget badly.

And I would suggest to you, Mr. Chairman, that I caught him in the act two weeks ago. The Minister was proposing to jump on the back of the Federal Government, trying to blame all of the problems of the Province on the Government of Canada. The Member for Mount Scio (Mr. Walsh) need not wave his finger. I can put my foot upon my chair, but I do not care what the Chairman says. There is nothing in the Rules of Order that says, I cannot put my foot upon the chair.

AN HON. MEMBER:
That is true!

MR. WALSH:
On a point of order, Mr. Chairman.

MR. CHAIRMAN:
The hon. Member for Mount Scio - Bell Island.

MR. WALSH:
The only reason I would bring the subject up was that an hon. Member on his own side complained about it one day and the feeling of the House was that we should. The hon. Member for St. John’s East (Ms. Duff) thought it was unparliamentary and I am just agreeing with her comments.

MR. WINDSOR:
To that point of order, Mr. Chairman.

MR. CHAIRMAN:
The hon. the Member for Mount Pearl.

MR. WINDSOR:
If Your Honour wants to rule that it is unparliamentary then I obviously would respect Your Honour. I am not aware of anything in any Standing Order or in Beauchesne that says I cannot do that if I choose, and I can point to precedents in this House for the last fifteen years when I was here, particularly the former Premier who was famous for his pose of standing in his place over there with his foot on the chair. If Your Honour wants to rule against me, obviously I will abide by it.

MR. CHAIRMAN:
Yes, it is unparliamentary to do so.

MR. TOBIN:
Pardon.

MR. CHAIRMAN:
The hon. the Member for Mount Pearl.

MR. WINDSOR:
Thank you, Mr. Chairman.

MR. TOBIN:
On a point of order, Mr. Chairman.

Sir, I do not question your ruling, but could you give the House the Standing Orders or Beauchesne to show where that is covered please? Could you refer it to us so that we could have it.

MR. CHAIRMAN:
I reserve the ruling and I will give you the sections later.

MR. WINDSOR:
Thank you, Mr. Chairman.

Your Honour has indicated to my colleague that you will give us a reference for that. And I accept Your Honour's ruling. I am not going to waste time with this foolishness, I am after more important things here today.

The fact of the matter is, Mr. Chairman, as I was saying we caught the Minister in the act. The Minister wanted to piggyback on the goods and services tax imposed by the Government of Canada. They figured out we can blame it all on the goods and services tax now. We will broaden the tax base in Newfoundland and Labrador. We will impose retail sales tax on everything, a nice broad tax base. We will tax food. We will tax clothing. We will tax fuel oil and electricity. We will tax school books. We will tax everything. But we caught him in the act, and I exposed him in my press conference two weeks ago, and he chickened out. He found out he could not get away with it.

The fact of the matter is, the point I made at that press conference and I think it is now being borne out, there was a Budget leak. There was a Budget leak and the Minister had no choice, but to change the Budget. And the Minister had said that the Budget had been finished prior to that press conference or maybe it was the President of Treasury Board (Mr. Baker) who said it. Somebody over there was quoted as saying 'The Budget has been completed. The work is done. It is just being printed now.' Subsequent to that I exposed the fact that Government was to impose a broad retail sales tax and there
was a Budget leak on it. And they had to change the Budget. So they hurriedly, Mr. Chairman, —

AN HON. MEMBER:
(Inaudible).

MR. WINDSOR:
I beg your pardon?

DR. KITCHEN:
Some leak. Your contact is drying up, boy!

MR. WINDSOR:
The hon. Minister should not fool himself, Mr. Chairman. I wish the hon. Minister had a dollar for every phone call I have received from public service telling me the things this Government is doing. I wish I had a dollar for every public servant who has told me they have been directed to let the Minister know if anybody on this side calls them looking for information. This Government is trying to muzzle the public servants of this Province.

MR. WALSH:
On a point of order, Mr. Chairman.

MR. CHAIRMAN:
The hon. Member for Mount Scio — Bell Island on a point of order.

MR. WALSH:
Mr. Chairman, my point of order is: For an hon. Member of this House to stand up and actually say that members of the civil service are willing to (1) jeopardize their jobs; (2) are willing to divulge to him confidential information of either the Minister or the Department, is slanderous. These people work for the civil service and they are not in a position to be able to defend themselves, and it is not right for an hon. Member to stand here in the House today and say that people are willing to break the oath of secrecy they have taken in order for him to gain Brownie points. That is not right to the civil service of this Province.

MR. CHAIRMAN:
To that point of order, there is no point of order.

The hon. the Member for Mount Pearl.

MR. WINDSOR:
Mr. Chairman, to that point of order.

MR. CHAIRMAN:
There is no point of order.

The hon. Member for Mount Pearl may continue.

MR. WINDSOR:
There is no point of order. Thank you, Mr. Chairman.

Let me address some of the comments made by the hon. gentleman, which I can do under the rules of debate for the Budget Speech and Interim Supply.

The hon. gentleman has just admitted that if a public servant gives information to a Member from this side of the House they are jeopardizing their jobs. Let that be very clearly on the record. The hon. gentleman just said that.

AN HON. MEMBER:
They would be breaking their rules of secrecy.

MR. WINDSOR:
We are not talking about oath of secrecy. I did not say that public servants had given me confidential information covered by their oath of secrecy. I said I wish the hon. Minister had a dollar for every time public
servants called me and complained about the way that this Government is handling the affairs of this Province.

SOME HON. MEMBERS:
Hear, hear!

MR. WINDSOR:
That is what I am saying.

Now, Mr. Chairman, the fact of the matter is, there was a Budget leak. The Minister had to change the Budget at the last moment and he came in with this great idea—we will put in a payroll tax. He wants to hide it under the guise of health and education in spite of the fact that the Government of Canada is providing this Government with $27 million more this year in equalization payments than they did last year, $43 million in total more coming from the Government of Canada this year than last year. This whole Budget Speech is all throughout blaming everything on the Government of Canada, not on the incompetence of this Government which is the real truth of the matter, Mr. Chairman.

Now the Minister came in hurriedly with this payroll tax, and he announced it in his Budget Speech. The fact of the matter is that he did not know then what might be covered and he does not know now. He does not know now, who is going to be taxed. He does not know how it will impact on Crown Corporations or which one should be covered and which ones should be exempt.

MR. CHAIRMAN:
Order, please!

The hon. Member's time has elapsed.

MR. WINDSOR:
Thank you, Mr. Chairman.

MR. CHAIRMAN:
Before I recognize another speaker I refer to Beauchesne, page 99, subsection 332, "While a degree of informality in debate may be encouraged, Members may not rest their feet on their chairs while addressing the House."

MR. RIDEOUT:
Is anybody over there going to say anything on the Interim Supply, Mr. Chairman.

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

MR. RIDEOUT:
Mr. Chairman, here we are a Government with a $1 billion request before the Legislature, the people's Legislature, a $1 billion request and there is not one over there who has the intestinal fortitude to get on their feet, particularly the Minister of Finance. Not one has the gumption to get on their feet and tell the House why they need $1 billion. It is most discourteous if nothing else to the taxpayers of the Province that the Minister of Finance would not get on his feet, rebut what was said by my colleague the Member for Mount Pearl and explain why he wants $1 billion.

Now, Mr. Chairman, I spoke briefly in this debate in the House a few days ago. I said to the Government House Leader and the President of Treasury Board at that time that we were prepared as an Opposition to let the Interim Supply Bill go through with a reasonable amount of debate, maybe a day or two or three or something of that nature provided we were getting some answers from the Government on what they wanted the money for. Because I did not
believe, as Leader of the Opposition, in terms of organizing the time of the House, that it was time wisely spent to waste a lot of time on Interim Supply.

I do not believe deep down within me that it is wise to waste a lot of time on Interim Supply. So we were prepared and we have been prepared and we still are prepared, if the Minister is prepared to get out of his seat and give us some answers, we are prepared with a reasonable amount of debate on Interim Supply to let this $1 billion request go through.

But, Mr. Chairman, what are we not prepared to do is to authorize $1 billion, a quarter of the Budget, this $1 billion request for Interim Supply is about one quarter of the total Budget.

AN HON. MEMBER:
It is a bit more than that.

MR. RIDEOUT:
That is right, it is a bit more than that, and we are not prepared to authorize that Mr. Chairman, when a full week after the Budget has been brought down with three days in a row of Question Period, Mr. Chairman, the Minister of Finance still cannot tell this House who is in and who is out when it comes to this new payroll tax.

Mr. Chairman, it would be negligent for us to approve this $1 billion request if we do not have that basic information from the Minister. And why is the information so basic, Mr. Chairman? It is basic because the revenue and expenditure projections of this Budget are not worth the paper they are written on unless the Minister of Finance knows who is taxable and who is not taxable on the payroll tax.

The Minister of Finance, Mr. Chairman, is proposing to raise $16 million this year as a result of the new payroll tax, and he is proposing to raise a further $25 million next year. Now, Mr. Chairman, if Memorial University of Newfoundland and Labrador is included as part of that payroll tax, and the payroll of the University, I believe, is about $120 million so I have been told, so, if the University, as an example, is included then that payroll tax will cost the University about $1.8 million additional dollars. If they are included, Mr. Chairman, the University will have to find that money somewhere. They will have to find it out of the present operating grant that the Government gives them or they will have to increase student tuition fees, which the Government said they were not going to do this year. There is only one other alternative, Mr. Chairman, and that is for the Government to increase correspondingly its operating grant to the University. That is the only other alternative. There are three alternatives here. The Government can tax them, in which case the University has to find an extra $1.8 million. They can find that by raising tuition fees or the Government can increase its operating grant to the University by $1.8 million so that it will balance out. Now, Mr. Chairman, if the Government has to increase its operating grant to the university, to school boards, to Newfoundland Hydro, to hospital corporations, to municipalities, then is it not a fair question, Mr. Chairman, and is it not fair to expect the Minister of Finance to have to explain to this House
the integrity of the Budget document he produced a week ago. If he has to increase his expenditure so that those corporations, the university, hospitals, school boards, and so on, are given the extra money then the Minister's expenditure projections are out of whack. On the other hand if his revenue projections are correct and accurate and he is not going to give that additional money to those institutions that I mentioned then they are included in the tax. So, Mr. Chairman, it cannot be both ways, and I tell the Minister now, we are not going to approve one quarter of his Budget, a $1 billion request, we are not going to approve it until the bitter end on 31 March when spending runs out, unless this Minister comes to this House and tells the people of this Province who is included in that payroll tax.

It would be negligent for us to do so, it would be irresponsible for us to do so, and we have no intention of doing it, Mr. Chairman, none whatsoever. At the beginning of this debate our intention was, within a reasonable time, over two or three days to let it go, but we cannot do it. I would be ashamed to walk around the Province having let $1 billion of this Budget go through without the Minister having to answer to the scrutiny of the elected representatives of the people on this payroll tax. I would not be able to look them in the face if I did not use every parliamentary trick at my disposal to force the Minister to answer. Mr. Chairman, I know the Minister is incompetent. I have seen that now in two Budgets. He is clearly incompetent. I do not mean that in a personal way but incompetent in handling the fiscal affairs of the Province. I know he is incompetent but I cannot convince myself that the Minister of Finance would bring in a new tax and think in the back of his mind that nobody in the Opposition is going to ask me a question about it and have the answers ready. Do you know what I think happened, Mr. Chairman? I believe the Minister of Finance got overcome with his own rhetoric on Budget Day. The Minister of Finance, believed himself.

MR. R. AYLWARD: And all the letters he was getting.

MR. RIDEOUT: With all the letters he was getting we are soon going to have to go down and shovel him out from under the snow of letters. I believe that he really got convinced by his own rhetoric that the people were going to love this Budget and that the Opposition were not going to be able to find anything in the budget to zero in on. He was not going to have to answer any penetrating questions, like who is in and who is out. He was not going to have to do that because we were all going to be floored over here, our thumb was going to be in our mouth and we were going to be left without a word to say. That Minister, Mr. Chairman, is not prepared. Imagine one week after the Budget, three days into Question Period, and he cannot confirm whether the University is in or out. He cannot confirm whether municipalities are in or out. He cannot confirm whether hospital corporations are in or out. He cannot do any of that, and yet he has the gumption, the gall and the face of a robber's horse to sit there and ask us to give approval for $1 billion. Not on your life,
Sir. When you tell us, tell the people of this Province through the People's House who is going to be taxed by this Goods and Services Tax then we will consider voting on your Interim Supply. I do not care if you have to send back payroll cheques, if you have to tell people who are on welfare to wait for their money, I am not prepared to give you a cheque for a billion dollars until you answer those questions. We have every right, the people have a right. I mean, there are people on social assistance in this Province, Mr. Chairman, who, when they go to buy groceries, are going to be hit at least three times by this tax the Minister is bringing in.

AN HON. MEMBER:
That is not so.

MR. RIDEOUT:
It is so! It is so, Mr. Chairman. The trucking firm will bring the box of groceries into the Province and the labour for that will be taxed at 1.5 per cent. The wholesaler will distribute it, and the labour for that will be taxed at 1.5 per cent. That makes 3 per cent, Mr. Chairman. The retailers, Dominion Stores, Sobeys, somebody else, will sell it, and the labour on that will be taxed at 1.5 per cent. That makes 4.5 per cent that will go on groceries in this Province as a result of that tax. He should hang his head in shame!

DR. KITCHEN:
It is not so.

MR. RIDEOUT:
It is so! It is so!

DR. KITCHEN:
No, it is not.

MR. RIDEOUT:
Well, you get up and prove it is not so, because that is your job, Sir! You get up and prove it is not so, because that is what you are being paid for. Get up and prove it! Get up and prove it! Stand up for a change.

MR. CHAIRMAN:
The hon. Member's time has elapsed.

MR. RIDEOUT:
Thank you, Mr. Speaker.

MR. CHAIRMAN:
The hon. the Minister of Health.

SOME HON. MEMBERS:
Oh, oh!

MR. DECKER:
Mr. Chairman, I have a lot of pity for Members of the Opposition in the House in the last few weeks. They are unfortunate enough to be caught with the hardest job that exists in Newfoundland and Labrador today. They have it before them.

When we were over there and the Budget came down, Mr. Chairman, we had the easiest job in Newfoundland and Labrador. But those hon. Members in the Opposition, and I pity them, are confronted with the best Budget that has been presented in this House in the last seventeen or eighteen years. They are confronted with one of the best Budgets that have been presented in the history of Newfoundland and Labrador. Now, how in the name of goodness can they fulfill their duties as people who are supposed to criticize when they are expected to criticize something which is perfect? They are trying to criticize something which is perfect. It is their job to criticize, but what a difficult task it is, Mr. Chairman!
certainly pity them and I certainly can sympathize with them.

That explains why the Member for St. John’s East (Ms. Duff) has not been able to stand in her place once during the time this House has been open — and it has been open nearly a month — and ask one single question about the health care system in this Province, Mr. Chairman. There is nothing in this Budget that she can criticize with a clear conscience. I pity the hon. Member, because she has one of the hardest jobs of any person in Newfoundland and Labrador today, to criticize a Budget which, from a health perspective, is perfect. I certainly pity that poor hon. woman.

In this Budget, Mr. Chairman, we have seen Health picked from the depths to which the previous Administration allowed it to go and put upon the pedestal on which it belongs. Let us look at the health care system in Newfoundland and Labrador. Just look at what happened to it in the last seventeen years; look at what happened to it in the last ten years, under the previous Premier. It was totally, absolutely neglected.

Hon. Members should realize that there was a three year freeze placed on the construction of hospitals, nursing homes, and personal care homes in the City of St. John’s. Not a nail was driven, I tell the hon. Member, not a bit of maintenance was done. The whole system was allowed to fall down around their ears. That is what they allowed to happen to the health care system in Newfoundland and Labrador over the past ten years, and they are calling on us to solve it all in six months, Mr. Chairman.

MR. TOBIN: What about Burin?

MR. DECKER: What about Burin, Mr. Chairman? The hon. Member is talking about the Burin Peninsula. We took two hospitals — what was it we used to call them? — two little, small dying hospitals.

MR. TOBIN: Two cottage hospitals.

MR. DECKER: Two cottage hospitals, an idea that existed in another century, another generation. And we expanded on their mandate. A cottage hospital is a place, Mr. Chairman, where you put sick people. We have replaced that now with a community health care system which does not, only deal with sick people —

MR. MATTHEWS: When? When? When?

MR. DECKER: — it deals with community health, it deal with an Outreach Program, it deals with prevention of sickness, Mr. Chairman. We have taken that concept, an outdated, outmoded concept, and we have breathed new life into it, we have brought it into the twentieth century, and we have prepared it for the twenty-first century. That is what has happened to health care in the matter of the few months we have been in office. We have had to deal with a system the previous administration allowed to fall to the ground with neglect, and in a matter of a few months we have turned it around; we have stopped the decent, and now we are
beginning to put it back on the track where it belongs.

In this Budget, Mr., Chairman —

MR. TOBIN:
You are still in the (inaudible).

MR. DECKER:
Look, every time I go through the door I meet with people who say, boy, you fellows have sure done a lot for health. What have we done for health? As a result of this Budget, fifteen beds will be opened at the General Hospital for the first time in the history of Newfoundland and Labrador, fifteen beds which were never open before. That is what we have done.

I get so excited, if it were allowed I would stand up on my desk and I would shout it, Mr. Chairman. But you have already ruled that it is not proper to stand on furniture, therefore, I cannot do it. Fifteen beds which were never open before in the history of this Province. It is hard to believe. I do not get into politics, Mr. Chairman, I do not waste time on that foolishness, but the small liberal mindedness of the hon. the Minister of Finance was not satisfied to see the health care system being neglected as it was, and he made available the money so that we could open, for the first time — do not forget that — not in seventeen years, but for the first time in the history of Newfoundland and Labrador, these beds.

Mr. Chairman, one of the problems which existed in this Province as a result of the neglect by the previous Administration was the problem with cardiac surgery. There was a lineup. We need to do about 350 major heart operations a year in this Province, but because of the neglect of the previous Administration, we were only doing 250 a year. That is why so many people were writing me about their father, or their mother, or their brother or their sister who could not get in to have surgery, the room was not there. A bottleneck had been created, and the surgeons had no operating rooms in which to perform the surgery, no intensive care units in which to put the people after they came out of surgery. What did my friend and colleague the hon. the Minister of Finance do? He made available in this Budget, Mr. Chairman, money so that we could open a new intensive care unit, money so that we could open up a new operating room at the General Hospital, the first time in the history of Newfoundland and Labrador we have opened up this new intensive care unit, and we are about to open up this new O.R. so that we can attack the problem of cardiac surgery in the Province of Newfoundland and Labrador.

Is that not something to shout about? Is that not something which is difficult for the hon. Member for St. John's East to criticize? I pity the hon. Member. I know why she is not asking me questions. She does not want to embarrass her own colleagues because of the neglect they perpetrated upon the health care system of Newfoundland and Labrador, Mr. Chairman. That is why I pity the Member.

Mr. Chairman, one of the major problems we have in Newfoundland and Labrador has to do with cancer. Cancer is a major disease in this Province, and it has probably touched every man, woman and child, either through a
relative, a friend, a mother or father, whatever the case might be.

One of the most important capital projects in the Department of Health's budget, my Department of Health, one of the most important things is funding to begin the construction of facilities for the Newfoundland Cancer Treatment and Research Foundation. For years a group of volunteers have given of their time day after day, month after month, year after year. They lobbied the previous Administration and said, 'Look, we do not have enough room down here to put our equipment. We cannot meet the needs of our fellow Newfoundlanders and Labradorians.' What did the previous Administration do? They put a freeze on the building of new hospitals, they put a freeze on expansion, they put a freeze on construction. But what did my liberal-minded colleague, the hon. the Minister of Finance, do? He said this is not good enough. We are not going to allow it to exist for another single second in this Province; we are not going to allow it to go on, and he made available in this Budget $5.4 million to put an extension on the General Hospital so that we can have a place for cancer treatment in this Province. Is that not a Budget? Is it any wonder the hon. the Member for St. John's East has not had the guts to get up on her feet and ask one single question? She knew what (inaudible).

MR. SPEAKER:
The hon. Member's time has elapsed.

MR. DECKER:
I pity her. I pity the hon. woman, because I believe she is a decent hon. Member. Thank you.

MR. SPEAKER:
MR. MATTHEWS: 
Mr. Chairman, we might as well give this up here if this is what is going on. We saw enough of it yesterday with Speaker of the House, and now you as Chairman. I think it is time to give this up and close it down.

MR. WINDSOR: 
This is disgraceful.

MR. CHAIRMAN: 
I recognize the hon. the Member for LaPoile.

AN HON. MEMBER: 
Come on! Let us challenge the ruling.

MR. TOBIN: 
Yes, challenge the ruling.

MR. SIMMS: 
A point of privilege, Mr. Chairman.

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

MR. SIMMS: 
Mr. Chairman, I think the hon. the Member for Grand Bank -

MR. CHAIRMAN: 
We cannot hear a point of privilege in Committee.

MR. SIMMS: 
Pardon me?

MR. CHAIRMAN: 
I said, under our rules we cannot hear a point of privilege in the Committee.

MR. SIMMS: 
Well, a point of order then.

MR. CHAIRMAN: 
Okay, a point of order.

MR. SIMMS: 
I think the hon. Member for Grand Bank has a very legitimate and valid point. Your Honour might want to reconsider this for just a moment, because it is a very serious and dangerous precedent. The precedent in our House and the traditions has been that if two Members stand, then Members are recognized alternatively.

Now, the last speaker was Member on the other side of the House, and by practice and tradition always, if two Members stand from both sides, then the Member alternate on the other side always gets recognized. I honestly believe this is a very serious precedent if Your Honour insists on it. I think Your Honour would be better served, in fact I think the Member for LaPoile (Mr. Ramsay) would better serve His Honour, in saving him from a potential embarrassment, by simply saying he is prepared to wait until the next time. It is only ten minutes or something like that. I think it would be better to get out of it that way, because I am quite -

MR. RAMSAY: 
If you would consult with the Clerks on it and that is the precedent, I would have no problem in allowing the hon. Member Opposite to continue.

SOME HON. MEMBERS: 
Hear, hear!

MR. CHAIRMAN: 
The hon. the Member for Grand Bank.

MR. MATTHEWS: 
Thank you, Mr. Chairman.

I would like to thank the hon. the Member for LaPoile for yielding and giving me my rightful
opportunity. Having stood in my place before the Minister of Health had taken his seat - you had called him to order because his time has expired - I am not receiving any favor here. I am only getting what is rightfully mine.

MR. TOBIN:
Justice.

MR. MATTHEWS:
Yes, justice. No fairness or balance, just justice.

What we have seen from this Minister of Finance and this Budget is anything but fairness, it is imbalance, total imbalance. If we could only get some answers from the Minister of Finance we would probably all be a little more cordial. And the decorum of this House would probably be lifted a bit if only the Minister of Finance was familiar enough with the document he brought in a week ago to be able to give some answers to the questions which have been asked, particularly about the 1.5 per cent payroll tax: to whom it applies and to whom it does not, whether he is going to take the tax or give it back, and all this stuff. These are the answers we are looking to get from the Minister of Finance.

MR. R. AYLWARD:
How can he be so proud of it when he is afraid to answer questions on it?

MR. MATTHEWS:
Yes, he is proud of it.

I would like to respond, Mr. Chairman, to some of the comments made by the Minister of Health, particularly about health care on the Burin Peninsula.

Now perhaps this Minister had some input into the Budget, but he is the only Minister I know of yet who can close down fifty beds, open fifteen beds, and say he opened more beds than were open before. Now that sort of ties in with the logic of the Minister of Finance and his Budget. He closed fifty in St. Lawrence and Grand Bank, opened fifteen at Salt Pond, and says he opened more beds than he closed. I cannot understand that. I have not been introduced to new math, I do not think it has anything to do with the metric system, it has to do only with the Minister of Health.

As a matter of fact, Mr. Chairman, when you look across this Province there are less beds open today in this Province than when this Minister of Health and this Government came to power - less beds open in this Province.

SOME HON. MEMBERS:
Hear, hear!

MR. MATTHEWS:
Now, I want to get specific about the Burin Peninsula. Fifty closed, fifteen opened, leaves thirty-five closed. That is the situation on the Burin Peninsula. In-patient services at Grand Bank and St. Lawrence closed in last year's Budget Speech. They got the news, Mr. Chairman, the same way as the Ombudsman got the news about his being eliminated, in a Budget Speech; no courtesy calls to the leaders of the communities, no courtesy calls to the employees. That is how it was done.

Now let me just say this to the Minister of Health: We have seen in this Budget, this year, money for planning for forty beds for St. Lawrence for some level of
care; I do not know the specifics of the level of care, whether it is one, two, three or a combination, and a new clinic for Grand Bank to house the services now offered at the Grand Bank Hospital, the clinic services. Whether or not there will be new lab and x-ray equipment and all this stuff, we do not know. When there will be money provided to actually begin construction, we do not know. They think they have satisfied the people of the Burin Peninsula by saying 'money for planning'. Well, they have not satisfied the people of the Burin Peninsula by announcing money for planning, because people want to see construction begin, they want to know what they are about to receive.

Let me just tell the Minister, as it pertains to health care being offered down there now, that I can go on with a list of problems being experienced because of the shutdown of in-patient services at Grand Bank and St. Lawrence, and what is being offered at Salt Pond. I know of people who have been sent to the Salt Pond Hospital and have been sent back home. I know there have been calls made to the Grand Bank and the St. Lawrence Hospitals saying do not send any more patients over to us. I know of people who have gone down there in need of surgery who have not been admitted. I know of a case, just in the last week or two, where a woman was admitted for surgery and was operated on. The day after receiving surgery she was taken to use the bathroom facilities, and when she came back there was someone else in her bed.

Now these are the kinds of things that are happening with the health care system on the Burin Peninsula.

Now, I happen to know a little bit more about that than the Minister of Health, because I live down there and I know the people I am talking about. That is what has happened to this great, big, improved health care scheme for the Burin Peninsula. Now, I hope all these bugs are ironed out and we will see that the net effect for the people of the Burin Peninsula will indeed be improved health care. If that happens, I will be very, very pleased.

But, as of now, there is a crisis in the health care system on the Burin Peninsula and we all know it is going to take two years minimum, I would think, to see a forty bed expansion for St. Lawrence for care for the elderly; it is going to take at least another two years before we see construction of what is referred to now as the Health Care Centre for Grand Bank, which is essence is a clinic, an out-patient's clinic, and only then if there are provisions in the Minister of Finance's next Budget to begin construction. And that is the other unknown question. We could be talking ten years.

MR. BAKER:
Trust us.

MR. MATTHEWS:
The President of Treasury Board says, 'Trust us.' Well, in this case I will trust him. There is not very much I would trust any of them about, but in this case I will trust him, that in next year's Budget he will have enough influence to see that there is monies in next year's Budget to construct the forty-bed-care facility for the elderly in St. Lawrence, and the home care centre for Grand Bank. Hopefully, that will happen. And if they do, then
I will stand in my place and say how pleased I am to see that happen, as I am today to see that at least it was mentioned that there was money for planning. Hopefully, next year the Minister of Health will be able to deliver and provide funds for construction down there.

Mr. Chairman, I thought it was important to mention these things to the Minister of Health, because I am sure he is fed lines, like all Ministers, that sometimes are not totally accurate. Officials do this to Ministers. They make them believe how wonderful things are in health care on the Burin Peninsula, and how wonderful things would be for the Minister of Education if they could move the headquarters of Eastern Community College to Clarenville, what a big improvement it is going to be, when, in essence, it is going to cost this Minister and the Board of Eastern Community College more money. These are the kinds of things officials do, so sometimes Ministers are not told the whole story.

MR. TOBIN:
Did you see the ad in today's "Southern Gazette"?

MR. MATTHEWS:
No, I did not see the ad in the "Southern Gazette". I am so tired of looking at myself and the member for Burin - Placentia West in the "Southern Gazette" that I do not read it anymore. Someone asked me the other day, while we were going up the Bay d'Espoir highway, do you fellows own the two radio stations on the Burin Peninsula and the local paper? I said, no we do not, but we are always there.

Mr. Chairman, it is too bad that the Minister of Fisheries is not in his place at this time, because I wanted to make a few fisheries comments, particularly about the Budget as it pertains to the Department of Fisheries. This year we see a significant reduction in the money allocated to the Department of Fisheries - $33.3 million reduced to $31.2 million. What you have to remember is that in that Department of Fisheries budget this year there is a $9 million allocation to Fishery Products International for the extended notice period. Of course, if you eliminate that $9 million which is there for that specific purpose, you will see that the actual budget of the Department of Fisheries for general operations throughout the Province is, in essence, $11.1 million less than last year. Now, can you imagine with this particular fishery crisis in this Province that you would have a Government, who say they care about rural Newfoundland and Labrador, who say they are serious about addressing the fisheries issue in this Province, allocate $11.1 million less to its Department of Fisheries? There is no other reference in any other Department in Government to address this very serious crisis; there is nothing in Development; there is nothing through the Economic Recovery Commission, except an additional $2.1 million for them.

MR. BAKER:
You are wrong.

MR. MATTHEWS:
The President of Treasury Board keeps telling me I am wrong. Well, I ask him to look at the budget for the Department of Fisheries and see for himself. Last year the budget for the...
Department of Fisheries was $33.3 million. This year it is $31.2 million. Now, that is $2.1 million less, and of that $31.2 million there is a $9 million allocation for Fishery Products International.

The Minister of Development is confused as well. He is looking confused. You would think he would know something about what is happening. I can understand he is preoccupied, looking around at other things, looking over his shoulders. He is looking around, and I can understand the Minister being concerned about that.

MR. BAKER: Page 201.

MR. MATTHEWS: Thank you, President of Treasury Board, page 201, now, what I said, is that correct?

MR. BAKER: No, you are wrong.

MR. MATTHEWS: Tell me why I am wrong, when you get a chance. 33.3 and 31.2, is a $2.1 million difference. Now, whether or not, Mr. Chairman, the interesting point is, it makes you suspicious if that is where the $2.1 million came from; from the Economic Recovery Commission, the same amount of money, 2.1 left to Fishery, 2.1 to the Economic Recovery Commission.

MR. SIMMS: What happened to the money that Development lost?

MR. MATTHEWS: It is the identical amount. What happened to the money for the Department of Development? Gone out of the Department with the Government.

AN. HON. MEMBER: They wanted to give it to tourism.

MR. MATTHEWS: What can we say about tourism? We will get back to all these things a bit later, Mr. Chairman. The Minister of Social Services is sitting under there like the peacock - $5 million less for community development. The Minister of Employment and Labour - $3 million for employment programs.

MR. CHAIRMAN: Order, please!

The hon. the Member's time has elapsed.

The hon. the Member for La Poile.

MR. RAMSAY: Thank you, Mr. Chairman. I do not know if I can. apologize for standing, but I understand now that the precedent had been set. I want to get into the Interim Supply Bill and possibly show a little bit of a broader scope, than just saying as the hon. Leader of the Opposition said: 'Write a cheque for a billion dollars.' I think there is a lot more to it than that. We have to look at who will pay. Members Opposite say that because of the tax structure, this payroll tax will be implemented and we will end up paying three times. I would certainly think it is somewhat unusual to try to say that a simple tax, that in general a tax that will get the major employers, the larger employers including the Federal Government to contribute to the Provincial Treasury is going to have an effect on the consumer of the Province. The actual effect that the consumer of the Province would have is created by the Federal
Government in its lack of commitment to the regional disparity that exists in our country. If they are going to give us equalization payments, fine, but if they pour more money into Ontario and Quebec per capita, than they give to Newfoundland and other smaller provinces that are in need of it to help develop economic initiatives, then who, really is the one to blame? Not just simply a blame on the Federal Government as an individual or as an individual body. I think we have to look at mainly the motion that the Premier gave today and his proposal for a revised constitutional accord. We certainly have to look at our national institutions and the national institution of the Federal Government of Canada supports the majority of electors in Canada now. How does this affect our Budget process? Well, we might say that one part of it, as we noted would be affected by the Unemployment Insurance Legislation, Bill C 21, and you have the Government House Leader of the day, standing in the House of Commons, waving and talking about the Senate as if it were a terrible thing that the Senate were having anything to do with it — that the Senators would have the gaff to have anything at all to do with national issues and whatnot, they should just sit in their place. Well, who is upstairs now, meeting with our Premier, if it is not a Senator, so the audacity to suggest that the Senators in the Chamber are of no use to the nation, but to allow a Senator to be a Minister of the Crown of our Country, just shows the total hypocrisy of the system and the way it can be manipulated as it now stands.

AN HON. MEMBER: Wait now (inaudible).

MR. RAMSAY: No, no, you hold on a second now. The other thing I wanted to bring up is, that they get into the detail. They want the Minister of Finance to bring out the details of the payroll tax. Now, hon. Members opposite, if they would take the time to look at the Budget Speech, and stated in the Budget Speech, the primary producers and secondary producers, in the three renewable resource industries of fisheries, Forestry and Agriculture, the rate will be zero per cent. I do not know about Members opposite, but I can certainly figure something out from that. Why would you say something is zero per cent, as a rate?

So therefore the tax will be assessed at a rate of 0 per cent. Now does this have to do with free trade? I would suggest that it does. And the levying of the payroll tax: say you were going to give exemptions all over the place, then the exemptions would possibly be considered a subsidy under the free trade agreement. So you have to levy it on possibly, you know, we have not heard for sure, maybe you have to levy it on all large companies, and then the exceptions would have to be 0 rating for various institutions and that. Maybe that is the case. Maybe that is what they are looking for. Why go
through the extra bookkeeping of levying it and then removing it later with an extra grant. I think your answer lies, gentlemen, in the Budget document which should possibly have been studied by now to find these little things.

SOME HON. MEMBERS:
Oh, oh!

MR. RAMSAY:
Well it is there plain for you to see and you have a statement clarifying it in the future. But it is there plain for you to see. All you have to do is read it closely as opposed to just picking out the things that you can probably misinform the public of the Province on.

Also, Mr. Chairman, I want to comment on the cutbacks that the Federal Government have made. The cutbacks which have provided this situation where it is now necessary for us to find the extra tax money that is necessary. And the Opposition has the gall to say that we are responsible, when this money that we need, and they say they increased it by $28 million, but if you are planning over a period of a number of years and if your expectations are X number of dollars and they say, whoops! we want $20 million back because our deficit is out of control. Now do we go to the public of the Province - and everyone in the Province was expecting tax increases, they were expecting more - and we had to put some in there. And in the same way in which the Opposition used to do it, ask the Newfoundland Liquor Corporation to bring in some more money.

AN HON. MEMBER:
We heard it all now.

MR. RAMSAY:
We learned that one from you guys, and we thank you for that type of implementation which does not cause as much trouble or as much misinformation to go out as if we were hurting the people. Possibly by taxing cigarettes a bit more maybe we can decrease consumption who knows?

But, Mr. Chairman, I feel proud to stand here today as a Liberal in philosophy and not only in my party affiliation and support the Interim Supply Bill, of course, which is just a part of the Budget process. It is sometimes spoken of as if it is something different, whereas it is just a stopgap to fill the till until such time as the Budget is actually passed.

But I want to mention the fisheries which is something that hits pretty close to home with everybody and we are making such a case for the fisheries in the Province. And we have to take a look at exactly what would happen with the fisheries if we were to go and throw the money at it the way that they feel we should have in this Budget, when negotiations are going on with the Federal Government now to try to address the crisis.

Now could we say that the Provincial Government should put the money forth? I mean we are the only ones. The only Government in Canada that has anything to do with being related to the fishery who put any money up for the current fisheries crisis. And they say well we are going to put in X number of dollars and probably the majority of that comes from the unemployment insurance system which is funded by the employers
and the employees. There is no government money - government control, but no government money. Some little ounce of money that they are going to throw at Newfoundland and say oh, you know, here we go.

Now in some cases we will get it by our own initiative if we approach the Federal Government in the right way and with the right lobbying ability and we develop plans properly and whatnot. We certainly can be availing of Federal Government monies, if we make a good case to them. But, in general, in most communities in our Province that case cannot be made because people are just now getting together and learning the process by which the Federal Government will act. So there will have to be a very high injection of money in the interim to allow people to enjoy a decent standard of living until such time as we can create the diversification that is needed in this Province. But the Federal Government stands and says, well, we will put the Harris Panel Task Force Report on the shelf and lets see when it is politically correct to announce it.

Now do the people of Newfoundland deserve better than that? I think, certainly, they do. And, if hon. Members opposite would only stand and say the same thing, maybe we could then, as a common voice for the people of the Province, get the Federal Government to act.

MR. CHAIRMAN:
Order, please!

The hon. Member's time has elapsed.

SOME HON. MEMBERS:
By leave! By leave!

MR. RAMSAY:
No, I will speak later, Mr. Chairman.

MR. CHAIRMAN:
Before the hon. the Member for St. John's East Extern speaks, it being Thursday at 4:00 p.m., I would like to inform the House of the three questions for the Late Show: 'I am not satisfied with the answer given by the Minister responsible for Forestry and Agriculture with regard to the question put to him by me on March 21, 1990' - the hon. the Member for Humber Valley (Mr. Woodford); 'Mr. Speaker, I was not satisfied with answers given to my question by the Minister of Finance today, concerning recreation' - the hon. the Member for Fogo (Mr. Winsor); 'Mr. Speaker, I am not satisfied with the answer given by the Minister of Finance to my question about the employer's payroll tax' - the hon. the Member for Humber East (Ms Verge).

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

MR. PARSONS:
Thank you very much, Mr. Chairman.

SOME HON. MEMBERS:
Hear, hear!

MR. PARSONS:
Mr. Chairman, it is certainly a privilege for me today to rise in my place and say a few words pertaining to Interim Supply, but there is still sadness. I am very, very sad that I, and my colleagues, have to stand in our places and say, 'Look, how can we pass this billion dollar Interim Supply, when the Minister of Finance cannot tell us one iota, as to where all these monies are coming from?"
I suppose, perhaps, I am one of the senior people in the House but, you know, I was surprised today, this late in my life, to see the Minister of Finance for this very proud Province just sit down, answering nothing, not one thing, pertaining to the Budget he presented ten days ago.

MR. R. AYLWARD:
I have not had a chance to write up an answer for him yet.

MR. PARSONS:
It could be that the Premier, because of his involvement in Meech Lake, his fishing in Meech Lake, did not have time to address -

MR. R. AYLWARD:
- did not have time to write his answer for him.

MR. PARSONS:
- did not have time to write the answer for the Minister of Finance.

The other thing that troubles me, really, is what the Minister of Health - he was up, as well, and I must say, the Minister of Health tries to be truthful, but he stretches the truth. He says, 'We opened fifteen beds,' and my hon. colleague explains to him, 'But you closed fifty beds,' so, in essence, there is a minus thirty-five. Now I believe, Mr. Chairman, the mistake in the calculations of the Minister of Finance has to come from the Minister of Health. With the Minister of Health saying, 'We have a plus,' when, in essence, it is minus thirty-five, I can see where the hon. the Minister of Finance came up with his figures.

The other thing, Mr. Chairman, is the repeated rhetoric. Every time the Minister of Finance is asked a question, the first thing that comes out of his mouth is, 'The Federal Government, blame it on the Federal Government.'

Mr. Chairman, in equalization programs alone, we are this year, compared to last year, with a plus $27 million; over all programs, we are in excess of $43 million.

Now how can the Minister of Finance defend his line of thought that this problem he finds with his budgetary process to be the fault of the Federal Government when in essence there is a $43 million extra cheque there from the Federal Government? And as we know, the Federal Government is responsible for, I think, about 61 per cent of the total monies that he has to play with.

Mr. Chairman, there are three areas that were left out of the 1.5. Now that is what the Minister said the day he read his budget. Those were Fisheries, Forestry and Agriculture.

Mr. Chairman, let us look at what he did eliminate. He eliminated the Fisheries. But how could you include the Fisheries - any part of it - when in essence the Fishery was in such dire straitness that monies had to be pumped into it, and apart from that everyone was getting laid off. Every second plant was being closed. Where were you going to get the payroll money anyway? Why were the plants closed? Because the Government of today saw fit to let the plants close when we introduced a resolution on this side saying that all plants would stay open sharing the resource. Sharing the resource. The all-plants-open resolution. You asked me. That is why all the people are laid off, that is why
we do not have any tax on the payrolls because there are no payrolls out there. They are all gone, destroyed by this Government.

AN HON. MEMBER:
The Member for Exploits (Mr. Grimes) would not believe it.

MR. PARSONS:
The hon. Member for Exploits? What would you know about fishing?

AN HON. MEMBER:
What do you know about anything.

AN HON. MEMBER:
Salmon on the Exploits.

MR. PARSONS:
That is it, that is it!

AN HON. MEMBER:
Yes.

MR. PARSONS:
I am really happy. One of my colleagues said it is salmon up the Exploits River, that is where his expertise lies. He is too busy with the Premier's suitcase going back and forth on Meech Lake. There is another area! Meech Lake. He is perhaps doing some fishing in the lake while the Premier is in those heavy discussions trying to split our country. His assistant is out with a rod.

I do not know. I asked the Minister of Development one time if he was going to take me on a trip with him, but I do not know but the executive assistant may be able to take me on a trip. I love fishing - love it!

But now let us go back to the Forestry aspect of it. When the Minister of Finance did not place this tax on any part of the Forestry that we have. But there are only two pulp and paper mills. Those are the only people who would have problems with this tax. But there are lay offs in those areas. How could you tax them anymore. They would close down completely. Kaput! Gone! At least the Minister of Finance - I can see the hon. the House Leader looking - he agrees. He said, you know, no way we could do that. If we had to tax the Forestry industry sure they would close down completely. They are closing down in stages or have been since this Government took over, but now, you know, we could not influence that situation anymore.

Now, let us go to the other. There were three exempt. Agriculture. The only payroll that would exceed $300,000. Farm products is the only one. And some on the hon. the Minister of Development. I am going to leave him for another day because - Boy I am telling you! I am so enthusiastic, I am really raring to go! I am in a fighting mood with him, but you know, it is going to have to wait for another day until I have more time. So I am not even going to listen to his rhetoric. I am going to say to him, I will see you on another day.

AN HON. MEMBER:
(Inaudible).

MR. PARSONS:
Oh listen to him, listen to the impartial Chairman. And I am sure that the road that the hon. Member speaks of, because of his impartiality, will certainly be done. Thank you very much, and I will tell your constituents when I go back to that area again.

But, Mr. Chairman, the Minister of
Health says: What do you have to say about health? Nothing when it is positive. I am like all the rest of Newfoundlanders and Labradarians who feel that health is so important that if there is any great pluses in health then all we can do is to say we are (inaudible).

SOME HON. MEMBERS:
Hear, hear!

MR. PARSONS:
But when the Minister gets up part and parcel with the Minister of Finance and says: Great things have happened. Look what we have done. Fifty beds. And then I said: No, he did not say fifty beds. He said fifteen beds. Then one of my hon. colleagues gets up and said: Yes, but you took away fifty.

Now, then the positive attitude that I have when it pertains to health becomes a negative attitude because the Minister --

AN HON. MEMBER:
(Inaudible).

MR. PARSONS:
He did not tell a lie. I would not say that. I do not think the Minister would do that. I do not think the Minister would tell a lie in the House. No, I really do not think that the Minister of Health would tell a lie in the House. It was like a piece of elastic, and he wanted to stay with the Minister of Finance --

MR. CHAIRMAN:
Order, please!

The hon. Member's time has elapsed.

MR. PARSONS:
By leave.

MR. CHAIRMAN:
Order, please!

Before I recognize the hon. the Minister of Health, the Chair has noticed on a number of occasions and particularly today that there are a number of Members who are consuming food in the Chamber. I would like to draw your attention to Beauchesne, page 99, subsection 331, "The concern of the Speaker for the appearance of the Chamber during debate, extends further than the dress of Members. While Members are entitled to refresh themselves with glasses of water during debates, the consumption of any other food in the House is strictly forbidden."

The hon. the Minister of Health.

MR. DECKER:
Thank you, Mr. Chairman.

Mr. Chairman, it is a funny thing about perception. I would look at an item and say it was nice and someone else would look at it and say that it is not nice, that is human nature. When this Budget came out the vast majority of Newfoundlanders and Labradarians were praising the document. They were praising up the document especially as it relates to health, education and development, and all the other good things that were in the Budget.

Now, Mr. Chairman, the hon. the Member for Grand Bank was on his feet and he was saying some things, I would have to question his research -- I think the Member for Burin - Placentia West did his research but I will come to that later - but the Member for Grand Bank, his District, one of the first calls I received about the new Budget was from one of the Mayors from his town.
AN HON. MEMBER: Who?

MR. DECKER: I do not know his politics, Mr. Chairman. I do not get involved in a person's politics. I am not worried what his politics were. One of the mayors said: Look, Mr. Minister of Health, you have done a wonderful thing for the Town of St. Lawrence. Now that is perception, that is the way this hon. Member talks.

Mr. Speaker, while we were down at the reception in the Dining Room and I was sipping on my soda water, another Mayor, also from Grand Bank, also from the Burin Peninsula, I did not want to say Grand Bank, I do not know his politics either, Mr. Chairman, but he came and said: You have done a wonderful thing for Grand Bank.

SOME HON. MEMBERS: Hear, hear!

MR. DECKER: The Member for the District gets up and says that we devastated Grand Bank. So that is the funny thing about perception. Remember the old two-liner: Two men looked out through their prison bars, one saw mud and the other saw stars. And that is exactly what happened with Grand Bank.

AN HON. MEMBER: (Inaudible).

MR. DECKER: I will come to my book later.

I have a little bit of problem with the research that was done by the hon. the Member for Grand Bank when he talks about fifty beds closed, and was it fifteen or eighteen beds open on the Burin Peninsula? I know the hon. Member is not trying to twist the truth, I blame it on his researcher. I noticed the hon. Member for Burin - Placentia West fed this bit of research to the Member for Grand Bank and, consequently, made his colleague make an absolute, total fool of himself.

MR. TOBIN: A point of order, Mr. Chairman.

MR. CHAIRMAN: The hon. the Member for Burin - Placentia West on a point of order.

MR. TOBIN: Mr. Chairman, let the record be clear. I did not slip any information to my colleague, the Member for Grand Bank. My colleague, the Member for Grand Bank, is very familiar with the health care facilities on the Burin Peninsula.

MR. CHAIRMAN: Order, please!

There is no point of order.

MR. TOBIN: Mr. Chairman, let the record show that I did not. The Member has to be truthful in the House, and the record has to show that I did not give him information.

MR. CHAIRMAN: Order, please!

There is no point of order.

The hon. the Minister of Health.

MR. DECKER: Mr. Chairman, I do not know who, but someone made the hon. the Member for Grand Bank make a total fool of himself. The hon. the Member for Grand Bank said we opened eighteen beds and we closed fifty beds. Now, whether it was.
the Member for Burin - Placentia West or whomever, someone is feeding false information to the hon. the Member for Grand Bank. Here are the facts. In last year's budget we traded off fifty beds in two cottage hospitals. Now, there are fifty beds, beds with four legs, pillows and blankets. The actual physical beds were there but only 50 per cent of those beds were being occupied; 50 per cent of 50 is 25, so 25 beds were being used in those two cottage hospitals.

AN HON. MEMBER:
That is not true. Not true.

MR. DECKER:
I can table information. Fifty beds were there, there was 50 per cent occupancy. Now, how many did we open? The hon. the Member for Grand Bank does not know his own district very well, let me tell you that, because in that hospital, in Burin, there were thirty-five beds which never in the history of the world were open; a total wing was there like a museum, something you would look at and admire, and you would say, if only we had the ability to open these beds. That is a fact, Sir. We opened these thirty-five beds. It is in last year's budget.

Now, let me tell you something about the twenty-five beds that were being used in these two cottage hospitals. I visited both these cottage hospitals before they were taken out of service, and what I saw made me sick to my stomach because it was a microcosm of what was happening to the health care system in the Province as a whole. We had wards which were similar to something you would see on a M.A.S.H. program, something that would have happened back in the last world war.

MS DUFF:
Where was this?

MR. DECKER:
In St. Lawrence and Grand Bank.

This is the system we inherited, this is what was left to us when we took over.

In these wards were elderly people, people who were in their last years, some of them had Alzheimer's disease, some of them were sick old people but their minds were perfectly well, and the mixture of those two groups of people in one single ward made me ask myself which ones were the ones with Alzheimer's and which ones were the ones who were perfectly sane, as far as their minds were concerned. I had to ask that question. But more importantly, Mr. Chairman, they had to ask themselves the same question. Because if you put a sane person in with a group of people who are not sane, in a very short time - now, that is what was happening to the health care system on the Burin Peninsula. That was the microcosm of the health care system of Newfoundland and Labrador. What did we do? Mr. Chairman, without any concern about political expediency, without worrying about the polls, we went in and we made a decision which, from a health perspective, was the right one, we moved those people into a hospital that could care for them. That is leadership.

The hon. the Member for Grand Bank was more concerned, they were more concerned with getting re-elected than they were with delivering a proper health care system to the people of the Province. That is what were they were concerned about.
This Minister and this Government, Mr. Chairman, are not the least bit concerned about the polls, are not the least bit concerned about politics. We are doing what we know is right, and the people of Newfoundland are rising up and telling us we are doing the right thing. Everyone in Newfoundland is telling us we are going to be here until we are old men and we are old women, Mr. Chairman.

MS DUFF:
You are not in Opposition now, Chris.

MR. MATTHEWS:
(Inaudible) another four or five hundred (inaudible).

MR. DECKER:
That was last year, when the hon. Member accused us of closing beds, and I have explained all that. I am sure he heard us on the outside. What about this year? Again we go to the Burin Peninsula. Now if we had been like the previous Administration, we would have looked at the Burin Peninsula and we would have said, Aw! Tory. Do not touch it. The previous Administration would look at the Strait of Belle Isle, at sick people - forget them. They are Liberal. That is the way this Province was governed.

What did we do? We looked at the needs of the Province, we looked at the needs of the Burin Peninsula.

MS DUFF:
Who did all the studies on Health before you were ever elected?

MR. DECKER:
What did we say? We said we are going to build in St. Lawrence a forty-bed chronic-care facility. That is what we are going to do in St. Lawrence - that is what my colleague, the Minister of Finance, is going to do in St. Lawrence. That is where some of that 1.5 per cent payroll tax is going.

SOME HON. MEMBERS:
When? When?

MR. DECKER:
Mr. Chairman, they talk about taxes, and they talk about the Government collecting taxes. They are looking at the Government in the wrong manner. The Government now belongs especially to the people of Newfoundland and Labrador, it is our Government.

MR. CHAIRMAN:
Order, please!

The hon. the Member's time has elapsed.

SOME HON. MEMBERS:
By leave!

MR. DECKER:
By leave?

MR. WARREN:
Mr. Chairman.

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

MR. WARREN:
Thank you, Mr. Chairman.

I just listened to the hon. the Minister of Health who lets his wife travel free on the Grenfell Health Services plane and, Mr. Chairman, he is the Minister who is concerned about health care in Labrador. The Minister did not mention one dollar for health care in Labrador in his Budget. Now, Mr. Chairman, how is the Minister concerned about health care?
AN HON. MEMBER:
Shame! Shame!

MR. WARREN:
Now let us look at the Minister.
No money for a new hospital in Goose Bay, number one.

AN HON. MEMBER:
What? What?

MR. WARREN:
Mr. Chairman, I want to go on record as recommending to the
Premier of the Province that he immediately remove the Minister of
Environment and Lands from his Cabinet and put the hon. the
Member for Eagle River (Mr. Dumaresque) in.

SOME HON. MEMBERS:
Hear, hear!

MR. WARREN:
Mr. Chairman, I believe it is time the
Member for Eagle River to go into the Cabinet. There is only
one person on that side who can stand up for the people of
Labrador, and that is the Member for Eagle River.

Mr. Chairman, the Minister for Environment and Lands was sitting
at the Cabinet table when that 20 per cent was being taken out of
the pockets of the people of Labrador who want to come to the
Island portion of the Province for vacations or to visit their
relatives. Today in the Question Period, and I must say it was very
amusing, the hon. Minister got up and said I only had a short time
in Cabinet. Let me say to the
hon. House that -

AN HON. MEMBER:
He did not say that. He did not mention your name.

MR. WARREN:
He said it, Mr. Chairman, as the record will show. And let me say
to the hon. the Minister of Health, who is also sacrificing
the people of Labrador, that although I was only in Cabinet two
years, and I have only been a
Member of this Party for the last five years, Mr. Chairman, the
record will show that the Government of the day never ran over to the people of Labrador as
this Government is doing.

I say to the Member for Eagle River and the Member for Naskaupi,
unless you stand up and be counted, you are going to be
useless. I give credit to the
Member for Eagle River. He should
be in the Cabinet. I will tell
you this much, also, if the Member
for Eagle River sat one day in
that Cabinet and the Premier, or
the President of Treasury Board,
or the Minister of Health or any
other Minister tried to cut out
programs for Labrador; that hon.
Member would walk out of the
Cabinet. He would walk out, Mr.
Chairman, because he stands up for
Labrador. I want to give credit
to that hon. Member.

I remember one time, Mr. Chairman,
a former Minister from Labrador
was interviewed on CBC, and this
is very close to what he said: 'I
am only one of a number of
Ministers who sit around the
Cabinet Table.' Mr. Chairman, I
was only one around the Cabinet
Table for the last two years, but
I will tell you this much, my
colleagues knew what I was talking
about when it concerned Labrador.

Mr. Chairman, I say to the Member
for Naskaupi that he is useless in
the Cabinet. He should not be in
the Cabinet, he should be away
from the Cabinet all together. He
is useless. Until there is
somebody on that side who can stand up for Labrador, this Government is going to cause Labrador to separate. And that is going to happen! That will happen, Mr. Chairman!

SOME HON. MEMBERS:
Shame! Shame!

MR. CHAIRMAN:
Order, please!

MR. WARREN:
I say shame too, because you are causing them to separate, this Government, led by the second Rene Lavesque. Mr. Chairman, I will tell you this much, that until this Government —

MR. CHAIRMAN:
Order, please! Order, please!

MR. WARREN:
Mr. Chairman, I am just in the mood!

Mr. Chairman, I say to hon. colleagues opposite that the air subsidy has been taken away from the people of Labrador, Health care for the people of Labrador has been put on the back burner, and, I say to hon. colleagues opposite, that —

AN HON. MEMBER:
(Inaudible) spend their money more wisely (inaudible).

MR. WARREN:
What is that, Mr. Chairman?

AN HON. MEMBER:
(Inaudible).

MR. WARREN:
Oh, Mr. Chairman! Mr. Chairman!

Mr. Chairman, due to circumstances beyond my control I have to adjourn the debate, but I will be back tomorrow, Sir.

SOME HON. MEMBERS:
Hear, hear!

MR. CHAIRMAN:
Order, please!

It is now 4:30 p.m.

Shall the resolution carry?

Motion, that the Committee report having passed the resolution and recommend a Bill be introduced to give effect to same, carried.

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

MR. SPEAKER:
The hon. the Member for Trinity - Bay de Verde.

MR. CHAIRMAN:
Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report it has adopted a certain resolution and recommends a Bill be introduced to give effect to same.

On motion, report received and adopted, resolution ordered read a first and second time now, by leave.

On motion, resolution read a first and second time.

On motion, a Bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending The Thirty-First Day Of March One Thousand Nine Hundred And Ninety-One And For Other Purposes Relating To The Public Service", read a first, second and
third time, ordered passed and its
title be as on the Order Paper.
(Bill No. 24).

Debate on the Adjournment
[Late Show]

MR. SPEAKER:
The Chair does not have the list of
speakers, but I expect hon.
Members know who is number one.

AN HON. MEMBER:
The hon. the Member Humber Valley.

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

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

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

MR. SIMMS:
Mr. Speaker, can we agree to add
on a couple of minutes at the end
if it is required, because of the
extra time we took?

MR. SPEAKER:
Agreed.

The hon. the Member for Humber
Valley.

MR. WOODFORD:
Thank you, Mr. Speaker.

Yesterday, or the day before, I
asked the Minister of Forestry and
Agriculture a couple of questions
pertaining to the Appeal Tribunal
which ruled, I think it was, last
Friday. Some points of
clarification and some comments
made by the Minister in his
answers were sort of contradictory
to some of the things that were
said earlier, more specifically
last fall.

With regard to interference by the
Board. The Milk Marketing Board
was established, I think, some
five or six year ago. Previous to
that, Mr. Speaker, we were
producing at about 30 per cent
self-sufficiency in the Province
when it came to milk production.
Since that time and up until this
point, the industry is up to
around 90 per cent
self-sufficiency. It is one of
the most efficient commodity
groups in the Province as it
pertains to agriculture, and on
par with any other Province in
Canada. It is equal to any of
them, bar none, when it comes to
efficiency in the production of
milk and forage in the Province.
The one thing that was lacking,
and is today, and hopefully it
will be addressed as months go by
with this Administration, is
support to the dairy industry and
the other commodity groups within
the agricultural sector.

That is why, over the years, the
price of milk had to be so high in
this Province. It is not because
they were inefficient, it is not
because they were bad managers,
that had nothing to do with it,
absolutely nothing whatsoever. I
speak on behalf of twelve or
fourteen operators within the
District itself, and also as a
critic. Members insinuated
yesterday that I was more or less
in conflict, that I was one of the
biggest dairy producers in the
Province. Yes, you are right. I
was one of the biggest dairy
producers in the Province, and I
probably will be again. But that
is not going to stop me from
speaking on behalf of the
industry, whether it is dairy or
any other commodity group in this
Province.

SOME HON. MEMBERS:
Hear, hear!

MR. WOODFORD:
I am going to stand up here and speak on behalf of the industry whenever I feel like it. I am not going to be stymied and blackmailed by references coming from the other side to where I was and what I did. I can defend that any day of the week.

With regard to interference in the industry itself, Mr. Speaker, the dairy industry in this Province today is operating in spite - I repeat, in spite - of efforts by the Department of Agriculture to help.

Now the Minister, I know, is probably prodded by others of his colleagues in Cabinet to do something about the high price of milk to score some Brownie points with the consumers in this Province. The dairy industry is no different than the $40 million taken off Hydro and whacked onto the backs of consumers in this Province. That is no different. It is no different than the 1.5 per cent payroll tax that was added last week in the Budget, on the backs of consumers in this Province. The producers of milk in this Province are not going to bear the brunt of the cost to anybody. Do not do it on the backs of the producers in this Province. Do it somewhere else, where there are problems, never mind doing it on the backs of producers in the Province who worked hard and long for what they got, under trying circumstances.

Mr. Speaker, that interference and that intimidation factor is there, and they cannot rate under that load. They have their course plotted, but they cannot get out of the harbour. They just cannot do it. If the operators, and not only the dairy, any other commodity group in this Province, got the support - I say it of the previous Administration as well, no holds barred, and the one of today - that other provinces in Canada got, we would not have to have the price of milk the way it is today in this Province. But do not do it on the backs of the producers.

I ask the Member for St. George's (Mr. Short), and the Member for Exploits (Mr. Grimes), I believe, has one or two in his District at least, how can you sit idly by and watch this type of thing go on? The Member for St. George's has some of the biggest producers in the Province in his District, some good, excellent, competent producers. You cannot do it. They have been stymied for years by the processors, and some processors from outside of the Province, and they just cannot operate under that.

MR. SPEAKER:
Order, please!

The hon. gentleman's time is up.

MR. WOODFORD:
Thank you, Mr. Speaker.

MR. SPEAKER:
The hon. the Minister of Forestry and Agriculture.

MR. FLIGHT:
Thank you, Mr. Speaker.

Mr. Speaker, it is difficult for me to determine what exactly the Member is complaining about. He asked questions yesterday and he received answers. I would say to
the hon. Member, when he accuses me of interference I would remind him of this, that I inherited the most stupid legislation controlling the dairy industry. As he knows, I cannot find a lawyer in Newfoundland who agrees; every person you ask for an interpretation of that act has a different interpretation.

Let me ask the hon. Member this as a producer, and he appears to be proud of the fact that he is a producer, how can I stand and be accused of interference with the dairy industry or the Milk Marketing Board when, for week after week, after week last year, the dairy industry came to me in early Summer and told me they intended, and wanted my support to increase the price of milk by eight and a half cents a litre? How is it interference, if they did not need to come to me in the first place? Why should I have to support them? It is the kind of stupid legislation I inherited. Mr. Speaker, and it is the kind of legislation the industry is being managed by.

Now, Mr. Speaker, the Member talks about self-sufficiency, and he says do not do it on the backs of the producers. What is he suggesting? There are roughly seventy-six producers in his Province. Is he suggesting a Government subsidy? Let him spell it out, let him spell out what he means and do not interfere. The Member can have the most successful dairy industry possible. There is no point in having a successful dairy industry in this Province if the people of Newfoundland cannot afford to buy the milk they are producing and we are getting dangerously close to a situation, Mr. Speaker, where certain groups of society, the fixed income groups, the people on welfare, the lower income groups cannot afford this day to buy the quantity of milk they need for their families.

Maybe the Member, when he stands up in debate the next time, I will listen, and he will tell me why it is he does not want me to interfere. What role does he see me playing as Minister, what role did he play or the previous Minister of Agriculture play in protecting the consumer on one hand, but at the same time making sure that you have a viable industry. Because I will tell the Member, this Government and this Minister is just as concerned about making sure we have a viable, healthy, prosperous dairy industry as any Member of the Opposition, but we have another responsibility, and that is to make sure the people of this Province can afford to buy the milk they are producing.

So, Mr. Speaker, when the Member gets up and accuses me of all kinds of interference, and talks about getting down to debate, I tell the Member right now, he does not know what he is talking about. He may know what he is talking about in running a dairy, but he does not know what he is talking about when he accuses me of interference. I have bent over backwards, I have spent more time with the Milk Marketing Board than any other group in this Province. Go to the Milk Marketing Board and ask them whether or not they appreciate my performance as a Minister and my dealings with the Marketing Board. The fact is Mr. Speaker, when the Member accuses the Department of Agriculture of interference, he does not know what he is talking about. He talks about not doing it on the
backs — in one breath he says 'we have to have a quart of milk, but do not do it on the backs of the producers', so what is he suggesting I do, do I bring in a subsidy for the dairy industry, is that what he is asking? Will I also subsidize the two processors in this Province because when they came looking for eight and a half cents, the hon. Member will know this, that when the Milk Marketing Board came in the first instance looking for eight and a half cents, only three of those eight and a half cents were for the producers, the other five and a half were for the processors. So assuming that I was not prepared to allow the processors that five cents, what was I supposed to do, Mr. Speaker, I will ask the hon. Member, am I supposed to subsidize the processors also.

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

SOME HON. MEMBERS:
Hear, hear!

MR. WINSOR:
Mr. Speaker, my question yesterday was to the Minister of Finance who found the glue was too restricted to get him out of his seat and the Minister responsible for Recreation answered the question. It has been an ongoing question I have asked the Minister on numerous occasions, I see the Minister nodding again and I would assume that the Minister responsible for Recreation will respond. Two issues have surfaced recently in recreation. 1. The Capital Works Program that the Minister saw fit to reduce in this Budget from $4.5 million to $1.8, Capital Grants, and the Minister had the unmitigated gall in the House yesterday to say that the funding has been completed and the need for funding is not as great as it was in previous years. How can the Minister tell the people of rural Newfoundland that today there is not a need for funding. Shameful!

The second issue that has to be dealt with, the Minister, since last May, has been telling the people of Fogo Island, the people of Bonavista North, the Speaker's area, the people from the Connaigre peninsula, that he would soon have a program for recreation. That was a year ago. In June of last year, the delegation from Fogo Island, met with the Premier and the Premier's response to them was, you did leave us hopeful however with your closing statement. You can tell the people of Fogo Island they will be taken care of. That was in June of last year.

AN HON. MEMBER:
How is the new ferry running?

MR. WINSOR:
We are not talking about the ferry. We are talking about recreation.

MR. WALSH:
You are a disgrace. You are a disgrace.

MR. WINSOR:
Mr. Speaker, will you tell the Member for Mount Scio - Bell Island to leave the Chamber or be quite?

MR. SPEAKER:
Order, please!

MR. WINSOR:
In January of 1990 the Deputy Minister told the delegation again that money would be forthcoming in this Budget. The Budget has been
released and what we find is that instead of increased spending for recreation there is a decrease. The Minister said yesterday this program is in fact not required to be a Budget item. It could be as late as 1992 when projects are substantially complete, but on the program itself, Mr. Speaker, I hope to report to the House very shortly on Government's decision. That seems to be the same response that I got in January of last year, in December when the Minister told me I must be physic because he was about to announce his program. The question is when is the Minister going to announce it? I believe the problem the Minister has is that—

AN HON. MEMBER: (Inaudible).

MR. WINSOR: Oh, no, this Minister is not going to answer.

The problem the Minister has is his portfolio is too big. Recreation is shuffled under the table. He has a Capital Works in water and sewer $55 million and the $5 or $6 million for recreation that normally would be approved under Capital Works is just not there. What the Minister should do is go to the Premier and beg the Premier to relieve him of the duties and perhaps take the Member for Exploits (Mr. Grimes) there, a former hockey player—

SOME HON. MEMBERS: Oh, no, no!

MR. WINSOR: Oh, yes, take the Member for Exploits a hockey player with the Grand Falls Cataracts; it might have been the ankles he is not that old.

MS DUFF: The Member for St. John's South was a great athlete.

MR. WINSOR: The Baseball Hall of Fame, a real sporting enthusiast who would have some interest in Recreation in this Province. We can see that the Minister cannot have it because he is swallowed up in his Department so what we are asking the Minister to do now is tell us his policy and also ask the Premier to relieve him of his duties.

SOME HON. MEMBERS: Hear, hear!

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

DR. KITCHEN: Mr. Speaker, I am very glad to be able to stand in my place here and report that almost everything the Member for Fogo (Mr. Winsor) asked, we have given. He has roads.

SOME HON. MEMBERS: Roads.

DR. KITCHEN: How much is it, $1 million or $2 million?

AN HON. MEMBER: Two million.

DR. KITCHEN: Two million. He has water and sewerage. And then he came and told us he had problems with ice, getting in to Fogo. He wanted to get rid of the ice. So we built an icebreaker — $24 million, we are going to spend! And now, Mr. Speaker, he is coming to us, saying, "I want more ice. I want more ice. I want an ice rink."

Mr. Speaker, the Member should
make up his mind. Does he want ice or does he not want ice?

SOME HON. MEMBERS:
Hear, hear!

DR. KITCHEN:
Mr. Speaker, many Members on this side of the House think very highly of the people of Fogo Island. We have worked there, we have friends there, and the whole District of Fogo is full of good, strong, solid people. We have done good things and we will do good things for Fogo. We have done more for Fogo in one year than that crowd has done for a generation!

SOME HON. MEMBERS:
Hear, hear!

DR. KITCHEN:
Mr. Speaker, the next time the Member for Fogo gets to his feet, I think he should thank this Government. He should put a letter in the paper and go on television, saying, 'Thank you, Liberal Government, thank you, Mr. Minister of Finance, thank you, Mr. Premier, thank you, Mr. President of Treasury Board, thank you, Mr. Minister of Recreation, thank you, Mr. Minister for water and sewer,' whatever we are, and we will do great!

Now I want to make one final point. The Minister of - I always forget the title, it is a complicated title - Municipal, Provincial, Cultural and Recreational Affairs -

SOME HON. MEMBERS:
Hear, hear!

DR. KITCHEN:
- has done a tremendous job and I cannot add anything to the wonderful answer he gave yesterday to the Member for Fogo with respect to capital grants.

SOME HON. MEMBERS:
Hear, hear!

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

MS VERGE:
Thank you, Mr. Speaker.

As my colleague the Member for St. Mary's - The Capes (Mr. Hearn) just said the Minister of Finance should have been a hockey player, he is good at skating around issues and avoiding answers.

SOME HON. MEMBERS:
Hear, hear!

MS VERGE:
Mr. Speaker, I am going to get the Minister of Finance back on his feet. I am going to challenge him to give some answers to this House and to the people of the Province about the implications of his Budget for Memorial University. I asked these questions yesterday and I did not get answers. Mr. Speaker, the Minister of Finance has responsibility for the financial management of the Province. That management obviously involves revenue raising and expenditures. Mr. Speaker, the Minister of Finance's particular responsibility is on the revenue raising side. His colleague the President of Treasury Board (Mr. Baker) is really in charge of controlling expenditures.

So while the Minister of Finance delivered the Budget Speech it is really a document that is the product of Cabinet work led by himself, as Minister of Finance, and the President of Treasury.
Board. So we have to look at the revenue and the expenditure side of the Budget. Now, Mr. Speaker, having said that the Minister of Finance has particular responsibility for revenue raising, his one big revenue initiative in this Budget was the 1.5 per cent employer payroll tax. And, Mr. Speaker, obviously the Minister does not understand how that tax is going to work. I mean this is absolutely shocking and it indicates a complete lack of competence on the part of the Minister.

Now, Mr. Speaker, the Minister is estimating that that new tax is going to raise about $25 million a year and in this year since the tax does not begin until one-third through the year on August 1, it will raise $15 million, so he says. And today in Question Period he indicated very clearly that his revenue estimate will not be off, he is going to meet his revenue target. He is going to bring in $15 million from that new tax.

Mr. Speaker, what the Opposition is revealing to the people of the Province that that $15 million is going to be taken out of their pockets. Consumer spending power is going to be reduced by $15 million. Mr. Speaker, one of the great ironies is that this tax that he labels a tax for higher education and health is apparently going to cost post secondary education and health.

Mr. Speaker, officials of the Minister's Department and staff of the Department of Finance told people Friday and this Tuesday that the payroll tax applies to all Provincial agencies, that the tax clearly will apply to Memorial University, Institutes, Colleges, School Boards, Hospitals and Municipalities. Mr. Speaker, I believe the Minister said in interviews that the tax is modeled on taxes in Quebec, Ontario and Manitoba. In Manitoba the tax is also labeled one for higher education and health, and it does apply to all employers in the Province including health care and educational institutions. I suspect many of the Members Opposite did not know anything about this. In Ontario the employer payroll tax similarly applies to Hospitals, Universities, Colleges and School Boards. The only exceptions in Ontario are some small agricultural and primary fishing businesses.

So, Mr. Speaker, we have to look at the expenditure side of the budget in estimating grants to the University and other educational institutions and Hospitals. Was provision made for those agencies to pay the tax? The answer from Memorial University is no. The grant in the estimates is --

MR. SPEAKER: Order, please!

The hon. Member's time is up.

MS VERGE: Mr. Speaker, may I finish my sentence, please?

MR. SPEAKER: Let us put it to the House.

AN HON. MEMBER: By leave.

MS VERGE: The grant in aid to Memorial in the estimates is $9 million less that the university administration requested and does not include any provision for payment of a new
payroll tax. Therefore the difference would have to be made up by raising students fees or cutting programs at the University. Thank you, Mr. Speaker.

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

DR. KITCHEN: Mr. Speaker, I am getting hungry, and I have nothing to add. I will be making a statement in this House on this matter next week. Thank you very much, Mr. Speaker.

MR. SPEAKER: Order, please!

Hon. Members had agreed to go a little bit beyond five. It is a little bit before five now. I wonder if hon. Members would allow me to make a ruling on the point of privilege. I meant to make it today but if hon. Members are just as pleased with doing it tomorrow I can do it then.

The point of privilege was raised by the Member for Humber Valley (Mr. Woodford) yesterday. He stated that he had called the Public Utilities Board in confidence and because the President of Treasury Board, in answer to a question subsequently asked by the hon. Member for Humber Valley, the President of Treasury Board made a reference to the Member's having been briefed by Newfoundland Hydro. The Member for Humber Valley then therefore concluded that the Minister had been informed some way or another by a member of the Public Utilities Board, a quasi judicial board, and therefore the Member's confidentiality was broken and his privileges breached as a Member of the House. The issue therefore is, was the Member's confidentiality broken, if so by whom, and were his privileges consequently breached?

Let us deal with the confidentiality first. The evidence given does not substantiate that confidence was broken. The Member said he talked with a member from the PUB and the Minister said, in answer to the question, I believe he - that is the Member for Humber Valley (Mr. Woodford) - received a briefing from Hydro officials. He did not say that I know or that I have evidence. The Minister simply said, or the President of Treasury Board, that 'I believe.' The Member acknowledges that it was with the PUB he spoke. The Minister in response to the point of privilege yesterday said - and I want to point out to all hon. Members that the Minister's statements, that is the President of Treasury Board, are central to the whole question because it was his answer that gave rise to the point of privilege. It was his statement that resulted in the whole question.

I would like to quote to you again the statements made by the President of Treasury Board in speaking to the point of privilege yesterday, he say: 'This is the very first time that I have heard reference to the Public Utilities Board, and who the Member talked to. I did not know who the Member talked to. I simply made reference that the Member had some briefing by Hydro officials.' What the Minister said in the question again exactly was, 'I believe he received a briefing from Hydro officials.' Of course, this would have been quite normal, quite alright. I have received several briefings as a Member from
various bodies such as that.

I expect that the Minister made the comment in the same way any Minister would make it to an hon. Member when we are asking questions, because the assumption again is, and I have asked many questions myself, that the Member no doubt has researched the questions. He has done a lot of work on the question and it would be the obvious thing to say that we believe that the Member has been briefed. However, he did not give any further evidence so the Minister went on to say: "And if the Member says he did not receive a briefing from Hydro officials then this is simply a dispute between two hon. Members."

Well my ruling is not that it is a dispute between two hon. gentlemen. I am not going to say what it is, my job is to say what it is not.

So we have to take the Member's word that there was no admission by anybody here that confidentiality was broken. In the absence of any admission of wrong doing or firm evidence rather than conjecture, presumption and assumption, this again is supported by Mangoit page 205 and by Beauchesne, page 151, and paragraph 154. Therefore, I rule that on the basis of the lack of information and any solid evidence there is no prima facie case.

In conclusion, Beauchesne states that a 'valid claim of privilege must interfere with a Member's ability to perform his parliamentary duty.' The Member in this particular case performed his parliamentary duty. He got the information he was looking for. He asked questions in the House of Assembly and he got his answers. So therefore, I rule that there was no prima facie case.

The hon. the Opposition House Leader.

MR. SIMMS:
I wonder could the hon. Government House Leader confirm that tomorrow morning in debate we will be doing the Budget.

MR. BAKER:
We will be continuing with the Budget and I believe the critic on Finance on your side is due to speak.

On motion, the House at its rising adjourned until tomorrow morning at 9:00 of the clock.