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Volume XL

First Session

Number 77

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**VERBATIM REPORT**  
*(Hansard)*

*Speaker: Honourable Patrick McNicholas*

Friday

*Feb*  
7 December 1986

The House met at 10:00 a.m.

MR. SPEAKER (McNicholas):  
Order, please!

Statements by Ministers

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, just by way of giving a certain amount of information to the House and seeking, as well, a certain amount of guidance from the House, this morning we will be proceeding with first reading of the Atlantic Accord legislation. At that time, the provincial legislation will be tabled in the House. At the same time this morning, in the House of Commons, the first reading of the complementary federal bill will be done - the same proceedings in the House of Commons.

What I am going to propose is this: First of all, we will be proceeding to second reading on the bill on Monday. It is an important measure, and because I probably will need a little bit more than the allotted time of one hour to introduce it, I would ask the House that consideration be given to this.

We will have the federal legislation available to members. It is complementary, but obviously members of the House, the members of the Opposition particularly, will want to see that when the bill is debated. So that will be circulated on Monday. What I am proposing is this: Because of the nature of the legislation, I will introduce it in second reading on Monday and, if the Opposition

wishes, the debate can then be adjourned to give them an opportunity to fully assess both legislative pieces, both the federal and the provincial act and, as well, perhaps, they might want to consider certain comments that are made on the introduction of it. It would be proposed, then, to adjourn the debate on Monday afternoon.

On Tuesday afternoon, because Mrs. Carney is coming to Newfoundland and there will be various meetings that members of the ministry and members of the caucus will have to attend, we would hope and would suggest that perhaps the House could stand adjourned on Tuesday, if that were acceptable, and then come back into second reading of the bill when the House resumes.

I would like to suggest that perhaps, again because of the importance of the legislation, although this is not essential, if it is acceptable to all sides - it is certainly acceptable here - we could defer Private Members' Day this week, on Wednesday, go into it then and proceed in a continuous fashion. If that is not acceptable, we could have Private Members' Day on Wednesday and resume the debate on Thursday.

I just thought, Mr. Speaker, I would get up and mention this and just say that first of all I am asking for leave when I introduce the bill to be given more time than the Standing Orders give on introducing a measure, one hour, and to say that as far as the government is concerned it wishes the Opposition to have an opportunity to assess fully the measures that are being brought in. So we would be agreeable to adjourning the debate afterwards if this is what the Opposition

wants. In any event, I would ask that the House not sit on Tuesday for the reasons stated and resume hopefully on Wednesday, and if that is not acceptable, on Thursday.

Now, I have not consulted any of the Opposition with respect to this. If they would prefer to defer on it until later on this morning to consult, that is fine as well.

MR. BARRY:  
Mr. Speaker.

MR. SPEAKER (McNicholas):  
The hon. the Leader of the Opposition.

MR. BARRY:  
Mr. Speaker, we thank the minister for the information he has supplied. We say that it is unfortunate the minister took such a late hour to do so. The Government House Leader called yesterday, I think. I was trying to get him the previous day so that we could do some planning and get ready for the schedule that was contemplated. The minister did not tell the Opposition House Leader anything about this intention, I do not think, to adjourn or to defer Private Members' Day.

MR. TULK:  
We were supposed to go to some other legislation.

MR. BARRY:  
The suggestion was that on Tuesday, because the minister and the Premier wanted to participate in some functions with Mrs. Carney, we would go to other legislation.

Now we will co-operate with the minister, with the Premier and

with the administration as far as possible, but we will also try to protect our rights as an Opposition. We have to point out that once again this stresses how this concept of giving the Opposition adequate notice is becoming a farce under this administration. Last Fall the Premier called a press conference in the pretense of giving the Opposition legislation that would be debated in the upcoming session, and one of the things we were given notice of, and one of the things we were supposed to receive was the legislation relating to the Atlantic Accord.

Now we still do not have it, two days before debate, and the minister is talking about adjourning the House on Tuesday to give time to the Opposition to consider this. Well, the minister is right. Such a significant piece of legislation is something that merits careful consideration and warrants the Opposition having time to study it. But if the minister and if the Premier were not ready to proceed, why did they call the House to open on the 6th?

Now, we think there are many issues that require debate in this House, particularly that crushing burden of unemployment that is out there. The minister and the administration should be prepared to proceed with some legislation with respect to job creation and other issues affecting the Province today on Tuesday. We would object to the House closing on Tuesday. We think there is business that requires the attention of this House, with the economy and with the Province in the state they are in, and with the hardship that is being suffered by people. We are here and we should proceed with the

business of the House. As for the deferring of Private Members' Day, we have done our scheduling and our planning on the basis that Private Members' Day would proceed on Wednesday.

I have to say that I, myself, have accepted an invitation to address the Senate Committee dealing with the Federal Redistribution Bill which will seriously affect this Province, and I had planned to be in Ottawa on Wednesday because it was going to be Private Members' Day. I just mention that to the minister. We are not trying to be obstructionists for the sake of being obstructionists, but we have to try and do some planning as well. We think that the House should proceed as scheduled. If the minister wants to have it adjourned Monday until Wednesday, at which time we would insist it be Private Members' Day or adjourn until Thursday, the minister can make that motion and he has the votes in this House to have that carried.

As for the minister having somewhat more time to introduce the Accord, of course! The minister and, indeed, any member opposite who asks for leave to have sufficient time to set out his or her views with respect to the Atlantic Accord, we in the official Opposition will be glad to give leave on legislation affecting such an important resource. We will co-operate as much as we can within reason, but we ask the minister, please, not just on this legislation but on everything, let us have a process of informing the Opposition as to what is to be done in sufficient time so that we can plan and prepare as well.

MR. SPEAKER:

The hon. member for Menihek.

MR. FENWICK:

Since the Leader of the Opposition (Mr. Barry) was not speaking for me, I thought it important, since the House Leader seemed to be asking for leave, that I echo the Leader of the Opposition's sentiments. Co-operation is a two-way street and, quite frankly, we have not been informed at all, prior to this very moment, about what was going on and on that basis it is very, very difficult to give any kind of leave to change the Standing Orders. My own perception is that I would appreciate it in the future if you would co-operate.

MR. SPEAKER:

The hon. President of the Council.

MR. MARSHALL:

The only response I am going to make to that is co-operation is a two-way street and I thought when I got up and made the comments I made that I was making them in a co-operative vein, in a co-operative frame of mind. The fact of the matter is, Mr. Speaker, it is quite obvious to hon. gentlemen there opposite that legislation could not be tabled. We have no right to table federal legislation until it is introduced in the House of Parliament, which it is going to be today, any more than the House of Parliament has a right to table provincial legislation. Bearing in mind all of this and the complexities of the situation, I just made it in a positive way from the point of view of making a proposal. However, that is fine. We will go into second reading but the debate will adjourn on Monday. We will come back on Tuesday afternoon and the usual co-operative basis of allowing all members of the one

party to attend certain party functions will not be in place, and we will remember that some time in the future as well. So we will come back, Mr. Speaker, and we will debate other things on the Order Paper on Tuesday, we will go into Private Members' Day, and we will come back again on Thursday for the debate. All I was doing was trying to set up a co-operative scheme for the Opposition. The hon. gentlemen say they have not had the legislation before. How can I give out legislation of the Parliament of Canada until it is introduced in the Parliament of Canada? The fact of the matter is, this is a novel type of legislative process, one that has not been done in this Province before, and perhaps not in Canada before, so you have to adapt yourself and accommodate yourself to different modes and methods. In recognizing that I was hoping, in a forthcoming way, to give the Opposition plenty and adequate time to respond. But that is fine! They will still have their plenty and adequate time to respond and I regret the fact that they have not been able to respond in the same way that I made the proposals to them this morning.

MR. BARRY:

On a point of order, Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Leader of the Opposition. On a point of order?

MR. BARRY:

Or if I can have an opportunity to respond to the second statement made by the minister.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. BARRY:

This is the first time we have learned that it is a party function that the minister is requesting the adjournment of the House for. Now, this is a different situation altogether, Mr. Speaker. The minister got up and said it was because he, the Premier and certain ministers had to meet on government business with the federal minister. Naturally, this takes place all the time, Mr. Speaker, ministers are absent from the House to attend to the business of government. But, Mr. Speaker, now we know what the real reason is. It is so that we can have a partisan political occasion similar to the party that was held last year, with free drinks at the hotel for party faithful.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. BARRY:

Mr. Speaker, we will be happy to consent to the adjournment of the House on Tuesday for a party function. We will be happy to adjourn, Mr. Speaker. If the minister is saying that he wishes to have the business of the House adjourned so that he can carry on a partisan political function with Mrs. Carney, we will be glad to adjourn the House for that, Mr. Speaker, because that will just undermine and emphasize for the people of the Province where the real priorities, Mr. Speaker, of this administration are. With that additional information that he has given us, Mr. Speaker, we will be happy to consent to the adjournment of the House on Tuesday.

Now, just one other point so there is no misunderstanding. We have not been criticizing the minister for failing -

MR. PATTERSON:

He is in 'The Red Trench' over there.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Order, please!

MR. BARRY:

Mr. Speaker, maybe we should have a little debate. The time will come, I am sure, when we will have a little debate with the Minister of Public Works and Services and he can explain to us his concept of sound-bones in this House, Mr. Speaker. But we will get to that in due course and the general cultural policy of this Province and the independence of artists and artists committees. We will deal with that.

Mr. Speaker, we have not been criticizing the minister for failing to supply us with federal legislation. Let us emphasize, our criticism is that the minister has not been informing the Opposition with respect to provincial legislation. Now, the Atlantic Accord legislation is by and large probably not going to be all that complicated in terms of we have the Atlantic Accord itself, but Mr. Speaker, this provincial royalty legislation is something that is going to merit some careful study and we have no information whatsoever on that. We have not seen anything relating to the royalties that will apply offshore. The minister is trying to keep the Province in the dark. We have no financial information with respect to the cost of the

project, the cost of a barrel of oil, which the minister has been avoiding answering questions on for over a year. Mr. Speaker, we are criticizing the minister for not supplying us with provincial legislation not federal.

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

As I understand it, the Government House Leader (Mr. Marshall) is asking for leave to adjourn the House on Tuesday for what now appears to be a party affair and the Liberal Opposition is willing to give their consent. I, for one, am not willing to give my consent, Mr. Speaker.

MR. BAIRD:

Are you going to take all your caucus to the party?.

MR. SPEAKER:

Order, please!

Before I call Oral Questions, I would like to welcome to the visitor's gallery twenty-eight students from the Harbinger School of Business with their instructors, Judy Rotchford and Sally Ackerman.

### Oral Questions

MR. TULK:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the member for Fogo.

MR. TULK:

Mr. Speaker, I have a question for the Minister of Fisheries (Mr.

Rideout). I understand that last evening the news media were carrying reports of massive cutbacks in the Federal Fisheries Department. I want to ask the minister a question from two points of view, of course, from the point of view of jobs for the Province of Newfoundland and from the point of view of fisheries management in the Province, which is a very important matter to the government of this Province, to the Opposition and to the people of the Province. I want to ask the minister if he was aware of these cutbacks in the Federal Department of Fisheries before they were announced yesterday? And what effect does he see this having on the management of our fisheries resource, the fact that there are supposed to be massive cutbacks in the Federal Department of Fisheries?

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Minister of Fisheries.

MR. RIDEOUT:

Mr. Speaker, first of all let me say that I guess it has been known for sometime that a massive reorganization of the Federal Department of Fisheries and Oceans has been underway now for some months. There has been consultation with the various provincial ministers as to how they view the operation of the Federal Department of Fisheries, particularly as the operation relates to Ottawa and then out to the various regions concerned. We have had an opportunity to make our comment on that reorganization.

I think the important thing for us to remember, Mr. Speaker, is how the reorganization might occur.

For example, you could probably legitimately redefine a lot of the activities of the department in Ottawa as long as you did not impact very significantly, or not impact at all, on the operation of the department within the regions. That is my main concern and that is the concern we have emphasized over and over again to the federal government.

In terms of management, I think the House will recall that it was only yesterday and this morning that the minister was saying that one of the things he is moving to do now is to increase our surveillance effort, particularly just outside the 200 mile limit, as well as within the 200 mile limit, so that if he can redeploy some of his effort and be able to do that and therefore be able to better manage the stocks that are within the 200 mile limit and just outside, particularly the Nose and Tail of the Bank, then I think all of us in Atlantic Canada, and particularly those of us in this Province, will be better off.

So it is a two-way street, Mr. Speaker. I think there can be some legitimate realignment and rearrangement in Ottawa, but how that impacts in the regions is our concern and we have addressed that with the federal minister.

MR. TULK:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the member for Fogo.

MR. TULK:

Mr. Speaker, the minister is right, of course, that the important thing we are concerned about right here is what the effect is going to be in the Atlantic region, particularly here

in Newfoundland. But let me ask him this question: What effect will it have? Has he been consulted on the effect it will have on the number of jobs that will be lost in Newfoundland, in particular?

We all know Mr. Siddon's response to overfishing by the West Germans last year and again this year - he is now threatening them again. Well, threatening is not going to save our stocks unless he is going to take some action. But what effect will it have on the region in terms of the number of lost jobs? Was he consulted? Just what did he say to the federal minister? What were his views he put forward to the federal minister on this? Were his views indeed taken into account when the minister decided to make the massive cutbacks he is now making?

MR. RIDEOUT:  
Mr. Speaker.

MR. SPEAKER (McNicholas):  
The hon. the Minister of Fisheries.

MR. RIDEOUT:  
Mr. Speaker, let me first of all say to the hon. gentleman that it was not Mr. Siddon who was there to deal with the West Germans last year, it was another minister. I think Mr. Siddon and the federal government effectively dealt with the West German issue and there is still room to go in that regard. I have indicated to the hon. gentleman that we have very carefully looked at and have been very carefully consulted on the proposed reorganization of the Federal Department of Fisheries. As I have indicated to the hon. gentleman already, Mr. Speaker, I think there is room for improvement in the central core of that department, but not at the

expense of the regions of that department. That is the position that has been put forward by this Province and this government to the federal minister.

MR. TULK:  
Mr. Speaker.

MR. SPEAKER (McNicholas):  
The hon. the member for Fogo.

MR. TULK:  
Mr. Speaker, the minister either does not know the number of jobs that we are going to lose in this Province, he does not know the effect on the management of the resource in this Province of those massive cutbacks by the federal minister, or he refuses to tell the House. Now, he says he has been consulted. He says he has made recommendations. I suppose if he has been consulted he has made recommendations. Let me ask him, then, will he table any recommendations or any correspondence that he made to the federal minister?

This thing has been known for some time. As a matter of fact, the deputy minister, Dr. Arthur May, a Newfoundlander, was booted out of the Department of Fisheries. I forget the name of the person who was put in, but the idea was he was going to be put in there to make massive cutbacks in the federal Department of Fisheries. So I would ask the minister, first of all, does he know the number of jobs we are going to lose? Was he consulted? What recommendations did he make? Will he table the result of any of those meetings, or the input that he had into any of those meetings, or any correspondence he carried on with the federal minister? Is this another example of what we have seen with FFTs overfishing? Is



the minister being totally disregarded by the federal minister in Ottawa? Are we having another scenario such as we had with Mr. Frazer, Mr. Eric Neilson, Mr. John Crosbie, Mr. Morrissey and everybody else? Is he being totally disregarded?

MR. SPEAKER:

The hon. Minister of Fisheries.

MR. RIDEOUT:

Mr. Speaker, let me say to the hon. gentleman that if he wants to know how many people I intend to drop from my department as the provincial Minister of Fisheries, or add to my department, it is my responsibility to report on that to this House and I will if that decision is ever taken. Let me tell the hon. gentleman also, Mr. Speaker, about the co-operation that has been shown on stock management over the last three or four months between the federal government and the provinces, the significant changes that have been made to the resource-short plant programme that is going to mean hundreds of increased job opportunities in this Province over the next several years, and the increased allocations, for example, for Harbour Grace. I mean, there is co-operation on top of co-operation and the evidence is there for anybody to see. If the hon. gentleman wants me to respond in this House on what I am doing in my own department then I will do that, but I am not going to answer for what another minister does in his department in another jurisdiction.

MR. SPEAKER:

The hon. the member for Windsor - Buchans.

MR. FLIGHT:

Thank you, Mr. Speaker.

I have a question for the Minister of Energy, since he has now found his way back here. I presume he phoned the Premier and told him the outcome of that little conversation with the Leader of the Opposition (Mr. Barry).

Mr. Speaker, gasoline at the pumps in Newfoundland is now in excess of \$3.00 per gallon and we all have to presume that it went that high when oil was in excess of \$39.00 a barrel. Mr. Speaker, oil is now less than \$15.00 a barrel on the markets of the world. When will that plummeting of oil prices be reflected at the pumps? Only a few days ago Newfoundlanders had to absorb another increase in the price of gas, yet the world price continues to plummet. When are Newfoundlanders going to get the benefit of the falling world prices, Mr. Speaker, and get away from the crushing burden the price of gasoline, the highest in Canada, by the way, is causing people in this Province?

MR. SPEAKER:

The hon. President of the Council.

MR. MARSHALL:

Mr. Speaker, the hon. gentleman will realize, of course, that one of the reasons why the price of gas here is the highest in Canada is because of the fact that we have not got the revenues, some \$600 million a year revenues, which were turfed out by the hon. gentlemen there opposite when they were in the administration ages ago. But in response to his question, Mr. Speaker, it is a timely question and it is one that his confreres in parliament - there is not a bit of originality in the soul of the hon gentleman there opposite - have been pursuing in the House of Parliament. It is timely one,

because it was just yesterday that the chief executive officer of Shell Oil got in contact with the federal Minister of Energy, Mines and Resources (Mrs. Carney), and with the provinces, to advise that even though the price of crude oil is going down, there are still stocks there that were bought at the other prices, and as soon as those supplies are exhausted, which if memory serves me correct, and I am subject to correction on this, should be by sometime in March or early in April, then, they have indicated, they will be in a position to reduce the price at the pump. Shell Oil also indicated that this particular communication was not be considered confidential and it could be made public, which I do now, and I assume all other oil companies in Canada will follow accordingly. I hope that answers the hon. gentleman's question.

MR. FLIGHT:  
Mr. Speaker.

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

MR. FLIGHT:  
Mr. Speaker, there are a lot of different reasons why gasoline is more expensive than heating oil, taxes for one, the provincial taxes and federal taxes, Mr. Speaker, that apply to the gasoline but do not necessarily apply to heating oil. It is the middle of Winter, Mr. Speaker, and we are into a cold snap and heating oil is now in excess of \$2.00 a gallon, based on \$40 a barrel for oil. When will Newfoundlanders get a chance to buy heating oil to heat their homes based on \$15 a barrel for oil? And it has nothing to do with taxes, Mr. Speaker, it has to

do with the government being prepared to allow the oil companies to keep heating oil in excess of \$2.00 a gallon.

MR. SPEAKER:  
The hon. the President of the Council.

MR. MARSHALL:  
The hon. gentleman is talking now about taxes. I mean, that is a budgetary matter. The hon. gentleman understands the constraints under which we operate in this Province, trying to balance the budget and maintain the credit rating of the Province and, at the same time, provide minimal services to the people of this Province. My answer to the hon. gentleman is the same as the one I gave previously, for exactly the same reason, presumably the price for heating oil will come down at that time. The hon. gentleman is fully aware that I am not responsible for world oil prices, high or low, but when they come down and when it gets an opportunity to work its way into the national economy, Newfoundland will benefit from it the same way as other Canadians will.

MR. FLIGHT:  
A supplementary, Mr. Speaker.

MR. SPEAKER:  
A supplementary, the hon. the member for Windsor-Buchans.

MR. FLIGHT:  
Mr. Speaker, electricity generated at Holyrood is based on the cost of oil. Will the minister tell the House when Newfoundlanders can expect a reduction in their electricity rates? The electric rates they are paying today are based on \$40 a barrel for oil, when will they get electric rates in this Province based on \$15 a

barrel for oil? And, Mr. Speaker, while the minister is up, rather than rise on another supplementary, will the minister tell the House whether or not he has discussed with Mrs. Carney the possibility of getting energy costs - gasoline, heating oil and electricity - down in this Province? Has he already done it, or will he do it Tuesday and see if Mrs. Carney is prepared to make it possible for Newfoundlanders to take advantage of the breaks they are entitled to with the reduced cost of energy in this world.

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, as to the first question, that component of the electrical bills that is reparable to the cost of crude, when the cost of crude falls the people of the Province of Newfoundland will get the benefit of it and they will get the benefit of it as soon as the system will allow it to take a benefit. Newfoundland and Labrador Hydro does not operate at a profit in the technical sense, it does not make a profit like an ordinary commercial concern, what it does is it provides electricity on a wholesale basis, virtually at cost price, and if the cost goes down the people of the Province of Newfoundland will benefit by it. So that answers that.

As to his second question, I would have thought that the hon. gentleman would have understood. I certainly thought he would have understood, as I know he does as a result of the Accord legislation, that in all energy matters there is a very close relationship between this government and the federal government and between

this minister and the federal minister. So I would have thought that my initial question would have given him the response, that there is a dialogue with respect to these matters as there is with all energy matters affecting this Province.

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, I have a question for the Minister of Labour. I wonder if the minister can indicate to the House and hence to the people of Newfoundland, particularly to the working population, whether the \$5,000 and the \$3,600 car allowance to deputy ministers and assistant deputy ministers to commute to work are simply a mechanism to side-step the government's wage restraint programme?

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

The hon. the Minister of Labour.

MR. BLANCHARD:

Mr. Speaker, the hon. member for Bonavista North knows full well that the allocation of such payments are not made by the Department of Labour. I would respectfully suggest, Mr. Speaker, that he address the question to the appropriate minister, who has the responsibility for payments to deputy ministers, assistant deputy ministers or others.

MR. LUSH:

A supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. LUSH:

Mr. Speaker, I asked the question to the Minister of Labour whose responsibility it is to protect the workers of this Province. That is why I have directed the question to the Minister of Labour and the Minister of Labour cannot slough off this question; he is responsible for looking at and protecting the interests of workers in this Province.

My supplementary question is to the Minister of Labour who certainly is part and parcel of the government's restraint programme. My second question to the Minister of Labour is: Would the minister admit that these car allowances are evidence of the government's double standard, or of two restraint programmes, one for the elite members of the bureaucracy and the other restraint programme for those further down the line, for those in staff positions? Can the minister squirm his way out of that question?

MR. SPEAKER:

The hon. the Minister of Labour.

MR. BLANCHARD:

Mr. Speaker, I have no intention of squirming from any question. The member for Bonavista North is disappointed and jealous, perhaps, Mr. Speaker, because we are getting settlements in the public service these days. The restraint programme has been recognized by a number of groups, Mr. Speaker, and agreements are being made and the House has been told about these agreements in the past. Maybe he

is disappointed because we are not having strikes.

SOME HON. MEMBERS:

Hear! Hear!

MR. LUSH:

A supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. LUSH:

I wonder, Mr. Speaker, if the minister can comment upon the accuracy and the validity of statements made by the President of NAPE to the effect that general service workers are discriminated against, that there is a massive discrepancy between the pay being received by members of the general service workers and other workers in the same classification within the public service. Can the minister indicate whether these statements made by the President of NAPE are accurate with respect to discriminatory action by this government and with respect to the pay being received by workers in the general service? Can the minister indicate whether or not this is accurate? If it is accurate, how could this situation develop and what is the minister going to do about bridging this gap?

MR. SPEAKER:

The hon. the Minister of Labour.

MR. BLANCHARD:

Mr. Speaker, again the hon. member is misdirecting his question. We like to keep a very neutral profile in the Department of Labour. It is not my role to start arguments about whether there are disparities between classes. The question is an appropriate one for the President

of Treasury Board (Mr. Windsor).

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

Mr. Speaker, a final supplementary.

MR. SPEAKER (McNicholas):

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

MR. LUSH:

Mr. Speaker, the minister is trying to avoid these questions, trying to avoid the answers. Certainly the minister is a part of this Cabinet which is saying that the votes taken by NAPE are votes for an illegal strike. Now, is the minister staying out of that? Where is the minister sitting?

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

Can I further ask the minister whether he and his government subscribe to the principle of equal pay for equal work?

MR. BLANCHARD:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Minister of Labour.

MR. BLANCHARD:

Mr. Speaker, the Department of Labour as a policy has never taken actions against any parties for illegalities, illegal actions, illegal strike votes or anything else, that is a matter to be pursued by the aggrieved party, the employer.

MR. BARRY:

Then why were you making designs on it as Minister of Labour, why were you criticizing it?

MR. SPEAKER (McNicholas):

Order, please!

MR. BLANCHARD:

I simply answered a question for the news media.

MR. EFFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Port de Grave.

MR. EFFORD:

Mr. Speaker, my question is to the hon. the Minister of Public Works (Mr. Young). He seems to be too comfortable in his seat over there. I would like to ask the Minister of Public Works if there have been tender calls for cafeteria service in the building for the coming year? If so, has a tender been awarded, or when will it be awarded?

MR. YOUNG:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Minister of Public Works.

MR. YOUNG:

Yes, Mr. Speaker, proposals are being called for cafeteria services. The hon. member did not read the paper, apparently. The proposals are being looked at and probably within a week or two a tender will be awarded.

MR. EFFORD:

A supplementary, Mr. Speaker.

MR. SPEAKER (McNicholas):

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

MR. EFFORD:

Would the minister confirm the rumour going around that CNIB -

SOME HON. MEMBERS:

Hear, hear!

MR. EFFORD:

Just a second now.

MR. SPEAKER (McNicholas):

I think the hon. member may want to rephrase that?

MR. EFFORD:

Is it true that the CNIB will not be awarded the contract this year?

MR. YOUNG:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Minister of Public Works.

MR. YOUNG:

Mr. Speaker, I guess that is a stupid question from a stupid member. Mr. Speaker, I just told the hon. member that proposals have been called and they are being looked at. I cannot respond to rumours, Mr. Speaker. I have heard quite a lot of rumours about the hon. gentleman . but I cannot comment on them.

MR. EFFORD:

A supplementary, Mr. Speaker.

MR. SPEAKER (McNicholas):

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

MR. EFFORD:

A stupid question for a stupid minister. The CNIB, Mr. Speaker, is a charitable organization. It has been rumoured,- in fact, I have the bids here in front of me - that CNIB is not going to get the contract this year. Now, I would like to ask the hon. minister why tenders were called on these particular cafeteria services? A while ago he thought it unnecessary to call tenders to

disrupt the services of Globe Travel, why is it that the CNIB, a charitable organization, is not allowed to have these services for the next years?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

The hon. the Minister of Public Works.

MR. YOUNG:

Mr. Speaker, when the proposals come in and are looked at, every proposal will be given careful consideration. And I cannot go by rumours, I do not know what the hon. gentleman has there.

MR. EFFORD:

Why are you taking CNIB out?

MR. YOUNG:

Mr. Speaker, it was only the other day I was asking the officials -

MR. EFFORD:

Why are you kicking out CNIB?

MR. YOUNG:

Mr. Speaker, I am not kicking out anyone. The member, if he keeps on with his old foolishness, will be kicked out in the next election, that is for sure, Mr. Speaker.

MR. EFFORD:

Mr. Speaker.

MR. SPEAKER:

That was the final supplementary on that.

The hon. member for St. Barbe.

MR. FUREY:

Mr. Speaker, my question is to the Minister of Mines. Three months ago, I telexed the Deputy Prime Minister of Canada outlining my

concerns, Mr. Speaker, with respect to the reactivation of the Cyprus Anvil Mine at Faro, in the Yukon, and the negative impact this could possibly have on the 170 jobs currently held by miners in my district. That was three months ago and I have received no answer. Three weeks ago I telexed again. I still have received no answer. Could the minister tell this House if he has had any luck getting an answer from the Government of Canada which has been running around beating its chest, bubbling over with consultation and co-operation?

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

MR. DINN:

Mr. Speaker, obviously if the Minister of Mines and Energy writes any federal minister he will get a reply. I wrote the federal minister with respect to what the hon. member has said and, yes, I did get a reply and, of course, I am quite happy with the reply that I did receive.

MR. FUREY:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for St. Barbe.

MR. FUREY:

The minister is correct. On November 26 he did write to his federal counterpart essentially agreeing with the arguments put forward by the Liberal party in respect to this massive subsidization programme being carried out by Mr. Nielsen. In fact, the minister asked for assistance for the Newfoundland Zinc Mine in order that they could compete on an equal footing with

Faro. Now, I would like to ask the minister what was the federal government's specific response to his specific request for assistance for the Newfoundland Zinc Mine so that Newfoundland can be treated equally, just as the Yukon is being treated?

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

MR. DINN:

Mr. Speaker, there has been no request from the mine the hon. member is talking about, in Daniel's Harbour, with respect to assistance. We have not received a request from the mine, therefore, it is very difficult to put their feelings to the federal minister for assistance. I will tell the hon. member that last year the TECK Corporation, which owns the majority share in the Daniel's Harbour mine, made \$2.5 million, so the hon. member may be concerned about something that does not exist.

MR. FUREY:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for St. Barbe.

MR. FUREY:

I do not think the minister really quite understood my question. It was your letter on November 26, 1985 to your counterpart in Ottawa where you, and I quote, asked, "Alternatively, it may be necessary to assist other producers, such as Newfoundland Zinc Mines, to also have lower prices." Now, I am asking you, what did your federal counterpart, through your letter of three months ago, say to your specific request that Newfoundland zinc mines may need help, as well, to

compete with these lower prices which are caused by the federal subsidization programme of \$18 million in Deputy Prime Minister Nielsen's riding at Faro, in the Yukon.

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

MR. DINN:

Mr. Speaker, I would be pleased to provide the hon. member with the financial package that was put together with respect to Faro. The hon. Minister of Mines, who replied to my letter, indicated that-

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. DINN:

The hon. member does not want the answer. I know he should be concerned about the people in Daniel's Harbour, but the hon. member keeps interrupting, he keeps breaking the Rules of the House. The fact of the matter is, the hon. federal Minister of Mines had the same concerns as I have had and he said he would be watching the situation, just as I will be watching the situation, and watching it very carefully. But as I indicated to the hon. member, in 1985 TECK Corporation, which owns a major share in the Daniel's Harbour mine, made \$2.5 million in Daniel's Harbour.

MR. KELLAND:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Naskaupi.

MR. KELLAND:

Thank you, Mr. Speaker. I would like to address a question in relation to the new UIC regulations which came into effect on January 5, 1986. In the absence of the Premier, I would like to direct the question to the Government House Leader and ask if he could express an opinion, or perhaps a position of the provincial government on their feelings with respect to the fairness of that regulation as it affects pensioners.

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, that is kind of a large question. I mean, if the hon. gentleman wants to table it and wants to table the regulations and wants to table all the background information, and he is really interested in my opinion, we will give it to him. But I really cannot respond to a question like that, as much as I would like to.

MR. KELLAND:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Naskaupi.

MR. KELLAND:

Thank you, Mr. Speaker. Maybe I can just give a brief example of what we are talking about and then ask the supplementary question. For the first time, this year, effective January 5, 1986, a person who is receiving a public type pension now must report his pension income as earnings - the first ever in our history. When he does this with respect to UIC premiums, he must report his pension as income and earnings and



therefore have his UIC benefits deducted by that amount. Now, as pensioners have paid into their pension plan and have paid into the UIC programme, they have earned the right to draw both these amounts. I would like to know if the government would consider making representation to the federal government, if they have not already done so, to have something done about that, have that particular regulation rescinded?

MR. MARSHALL:  
Mr. Speaker.

MR. SPEAKER (McNicholas):  
The hon. the President of the Council.

MR. MARSHALL:  
Mr. Speaker, first of all, this is a matter which comes within the purview of the federal government. I would think that the hon. gentleman, who talks about the spirit of co-operation, would be perhaps better off to have his federal counterpart, Mr. Rompkey, ask the question of the appropriate person in the House of Commons. But the hon. gentleman will be glad to know that the hon. the Premier has already made, I am told, certain representations with respect to that and beyond that I cannot comment, Mr. Speaker, on certain federal positions as much as I would like to comment. But today, Mr. Speaker, for the first time since 1980, the unemployment rate in Canada is below 10 per cent, and is coming down, which shows that the policies of the Tory administration in Ottawa are working as well as the policies of the Tory administration in St. John's.

SOME HON. MEMBERS:  
Hear, hear!

MR. KELLAND:  
A supplementary, Mr. Speaker.

MR. SPEAKER (McNicholas):  
A final supplementary, the hon. the member for Naskaupi.

MR. KELLAND:  
I would like to inform the Government House Leader (Mr. Marshall) that when I became aware of this new regulation I did write the Premier suggesting that he make representation to Ottawa and I am pleased to see he took the suggestion.

SOME HON. MEMBERS:  
Hear, hear!

MR. KELLAND:  
I also wrote the federal minister and stated what I felt to be the unfairness. And do not forget, hon. members of this House, that people in all of your districts are affected by this.

MR. SPEAKER (McNicholas):  
Order, please! Maybe the hon. member would ask his supplementary.

MR. KELLAND:  
Yes, Sir. I would like to ask the Government House Leader on behalf of his colleagues, as it does affect people in every district of this Province, would he consider some concerted effort, perhaps some sort of a unanimous approach, to demand that some kind of a rescinding order be placed by the federal government to stop this cruel and unfair treatment of pensioners in our Province and all across Canada?

MR. MARSHALL:  
Mr. Speaker.

MR. SPEAKER (McNicholas):  
The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, all I can say, from the Province's point of view, is that we have made this representation and we will be following it up. We will be doing everything we can in the best interests of the people of Newfoundland and Labrador in this matter, as we do in all things.

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the member for Menihek. There is only time for a short question and answer.

MR. FENWICK:

My question is, I think, to the Minister of Transportation (Mr. Dawe), but if he is not comfortable with it, someone else. I was watching on television last night a very interesting piece about the abuse of parking spots which have been reserved in shopping centres for handicapped people, and one of the more interesting parts was to see the Minister of Forest Resources and Lands (Mr. Simms) walk out of the particular mall and get into a car that was parked in that location.

MR. SPEAKER:

The hon. Minister of Forest Resources and Lands.

MR. SIMMS:

Mr. Speaker, I regret that the hon. member for Menihek (Mr. Fenwick) has stooped low enough to raise this particular matter in the House of Assembly but I think it is typical of his approach to politics in this Province, in any event.

I want to raise a point of privilege. I had contemplated

whether or not I would and decided that perhaps I would not, but since he has seen fit to raise it I would like to raise a point of privilege. The point of privilege deals with a television story on CBC's Here and Now last night, Thursday, February 6, a story which dealt with the needs of the handicapped.

Part of that story described how many people generally ignore the parking spots that are often set aside for handicapped people. In that segment of the story I personally was identified as an individual who had actually done this. Of course, the cameraman, a CBC cameraman saw me walking towards my car which was parked in this particular spot.

Now, somebody suggested to me this morning, by the way, that maybe CBC even moved that parking spot. I do not know that, but I am having it investigated I can tell you. In any event, I have to assume that the CBC camera-man was hanging around there for awhile. The car was parked in the parking lot for a couple of hours, so it shows that they do not have much to do, I guess. I do not intend to talk my way out of this. I will apologize if, indeed, that is the correct term for it. More importantly, I admit it, if it is in fact accurate that CBC did not move that parking sign, and I am not sure of that. But assuming that it was there properly, I will admit it, confess to it, indicate that I feel badly about it and certainly I am embarrassed by that particular incident.

AN HON. MEMBER:

Do you think that sign might have been moved.

MR. SIMMS:

Well, that is what somebody has suggested to me. As a footnote to that particular incident I also point out that the CBC news reader, Ann Budgell, at the end of the story indicated that CBC themselves had received a complaint that a CBC vehicle had been parked in a spot reserved for the handicapped down in front of the Newfoundland Hotel. What was interesting about that, though, Mr. Speaker, was that in the news story I was personally identified but certainly they did not identify who was driving the CBC vehicle. They did not have the gall to do it, I suppose.

MR. WINDSOR:

There are so many of them running around they do not know.

MR. SIMMS:

That is probably it. We have all heard that politicians at all levels, municipal politicians, business people, people in general are often concerned because CBC - now I isolate CBC in particular - have often been out to get people, misquote people, try to embarrass people and so on, and I must say, frankly, that I never, ever believed those accusations. I have to say that honestly; I never did believe those accusations until I sat through that particular story last night, on television, and now I have to say that perhaps all those people who have mentioned that to me might, in fact, have a right to feel paranoid about CBC.

At the same time, I want to say that I am not at all ashamed of my involvement or my support for the handicapped people in this Province. In fact, I am proud of it. I have had several involvements. For example, I was

Honorary Chairman of the Terry Fox run in Newfoundland for three years. The day before this story was aired, I met with people who were in my office seeking my help and support with respect to an international project that is about to take place.

MR. SPEAKER (McNicholas):

I would just like to get the point of privilege.

MR. SIMMS:

I am getting to it, Mr. Speaker. If I may be allowed to continue, because it is a fairly serious matter.

MR. SPEAKER (McNicholas):

That was beside the point.

MR. SIMMS:

I was speaking to people in my office on that particular day about an international project involving the handicapped. I have a knowledge of the needs of the handicapped moreso than perhaps a lot of people in this House, moreso than a lot of people in the press gallery, in that my own father was a handicapped person, he lost both his legs in the latter stages of his life.

So, Mr. Speaker, I have nothing to be ashamed of or embarrassed about other than this particular indiscretion. And whilst this indiscretion may have embarrassed me, I will say this: Number one, I will never, ever park in a handicapped spot again, and let him who is without sin cast the first stone. Let him do that.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

Number two, Mr. Speaker, the handicapped people of this

Province, and the organizations which are involved with the handicapped of this Province, may very well find themselves with an even stronger supporter of the needs and efforts of handicapped people than they had before, in me.

SOME HON. MEMBERS:  
Hear, hear!

MR. FENWICK:  
Mr. Speaker.

MR. SPEAKER (McNicholas):  
The hon. the member for Menihek.

MR. FENWICK:  
The question was not for the minister, but I accept his explanation of it and I think it is a perfectly acceptable one.

SOME HON. MEMBERS:  
Oh, oh!

MR. SPEAKER (McNicholas):  
Order, please!

MR. FENWICK:  
My question is for the Minister of Transportation (Mr. Dawe), and my question is this: It was also pointed out in the item that there is no law in this Province that reserves these parking spots for the handicapped.

MR. SPEAKER (McNicholas):  
Order, please!

MR. FENWICK:  
I just want to finish the question, Mr. Speaker.

MR. SPEAKER (McNicholas):  
Order, please! I understand the hon. member for Menihek is speaking to this point of privilege.

MR. FENWICK:  
I am just finishing my question, Mr. Speaker. I had not finished

it.

MR. SPEAKER (McNicholas):  
No, no. Order, please! I understood the hon. member for Menihek got up to speak to the point of privilege. There is a point of privilege on the floor at the present time.

MR. BARRY:  
Mr. Speaker.

MR. SPEAKER (McNicholas):  
The hon. the Leader of the Opposition.

MR. BARRY:  
Mr. Speaker, I think the minister has given a very honest response. Everybody in this House is human. Let me put it this way: It is a vast leap of logic to try and infer that this type of momentary oversight - or even if it were intentional, something that was done in the heat of trying to get into a store before it closed, or whatever, to take up a space, it is done, unfortunately, Mr. Speaker, and all of us, perhaps, err sometimes when we are in a hurry - we might take a short cut, we might park illegally or something of that nature. We should not do it, of course, but being human we do tend to do it.

I might say that one of the things that has occurred to me from time to time as I notice these parking spots, and maybe the Minister of Justice (Ms. Verge) might be able to comment on this, is if it is possible to enforce -

AN HON. MEMBER:  
A point of order, Mr. Speaker.

MR. BARRY:  
No, it is a point of privilege.

MR. TULK:

It is a point of privilege, boy, sit down and do not be so foolish.

MR. SPEAKER (McNicholas):

It is a point of privilege.

MR. BARRY:

I wonder if it is possible, legally, to enforce this type of parking restriction? Because the definition of 'disabled', Mr. Speaker, can be a very broad one. For example, anybody in this House who wears glasses could qualify as a person who is disabled. Now, naturally, that is not what is intended with these parking lots for the disabled, and I do not suppose anybody would have the gall, because they were wearing glasses, to go in there and park. And I do not mean to trivialize it, I just give you an example of the type of argument that might be raised if somebody were prosecuted and brought into court.

Now, I noticed in other jurisdictions, Mr. Speaker, particularly one I noticed in the United States, they actually have signs that say: 'Parking for the Registered Disabled', in other words, anybody who wishes to apply and claim that there is a disability. And I doubt if they have any testing or otherwise, but anybody who wants to apply and claim that they have a disability problem is granted a certificate which can be placed, presumably, in the windshield of the car. Now we have to be very serious of the sensitivities. I mean, there may be individuals who might feel it an intrusion or an invasion of privacy if this were done in a certain way. I think it can be done in a fashion that would remain sensitive to the confidential nature of information relating to the disabled, and it seems to me that that may be the

only way this type of parking restriction could properly be enforced in the courts.

MR. SPEAKER:

Order, please!

To that point of privilege, I must admit I was completely unaware of this incident until the hon. the member for Menihek (Mr. Fenwick) asked the question. I would like to consider the matter over the weekend. Because if the hon. member's privileges have been affected in any way, I would like to consider it and have more to say about it on Monday.

The time for Oral Questions has elapsed.

I would like to welcome to the gallery Mayor Hancock and Councillor Fisher from the town of Northern Arm, in the district of Exploits.

SOME HON. MEMBERS:

Hear, hear!

#### Orders of the Day

MR. MARSHALL:

Motion 6.

MR. SPEAKER:

Motion 6.

Motion, the hon. the Minister Responsible for Energy to introduce a bill, "An Act To Implement An Agreement Between The Government of Canada And The Government Of Newfoundland and Labrador On Offshore Petroleum Resource Management and Revenue Sharing," carried. (Bill No. 59).

On motion, Bill No. (59) read a first time, ordered read a second

time on tomorrow.

Motion, the hon. the Minister Responsible for Energy to introduce a bill, "An Act To Amend The Petroleum And Natural Gas Act," carried. (Bill No. 60).

On motion, Bill No. (60) read a first time, ordered read a second time on tomorrow.

MR. MARSHALL:

Motion 4, Bill No. 50.

On motion, that the House resolve itself into Committee of the Whole, Mr. Speaker left the Chair.

Committee of the Whole:

MR. CHAIRMAN (Greening):

Order, please!

MR. LUSH:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the member for Bonavista North.

MR. LUSH:

In giving my reasons for not supporting Bill 50, I want to say from the outset the reason why I am against this bill is to demonstrate my lack of confidence in a government that seems to have no creativity and that seems to have no initiative in terms of raising revenues for this Province.

Whenever they want to get extra revenues it is through taxation. This is a government with no creativity, with no initiative and with no new ideas, demonstrating they are just a tired group of politicians who are worn out, worn to a frazzle. Whenever they want

extra revenues, they go to booze, go to alcohol or go to tobacco.

Mr. Speaker, it is not that I am against taxing these items we call a luxury tax. It is not that. It is just the principle of overburdening the people of this Province with taxes. I was surprised yesterday - totally surprised - to hear the Minister of Finance (Dr. Collins) say that the people of this Province are not taxed horrendously. He did agree that we were taxed heavily. I do not know what the degree of difference is or what the shade of difference is between horrendous and heavy, I do not know. I do not know, Mr. Chairman, but I do know this: the people of this Province are taxed to the hilt. I know that they are taxed to the hilt! I cannot think of anything that is reasonable to tax that is not taxed in this Province. I cannot think of anything that is customary by government to tax that is not taxed. I do not know if some hon. member can, but I cannot think of one, single, solitary item that is customary for government to tax that is not taxed in this Province.

Indeed, I can think of things that are unusual to a tax, I can think of things that are never taxed by other governments that are taxed by this government. I can do that!

MR. J. CARTER:

Alright, what are they?

MR. LUSH:

Such as insurance premiums, I can think of that! Let the acerbic member for St. John's North keep his mouth closed, Mr. Chairman, because I can give examples of what I am referring to.

MR. J. CARTER:

Come on, let us hear them.

MR. LUSH:

How about the media tax? How many Provinces in Canada have a media tax, Mr. Chairman? How about school taxes? How about taxes on clothing for children?

MR. J. CARTER:

We do not know what taxes are in this Province.

MR. LUSH:

Mr. Chairman, we are taxed to the hilt!

MR. FLIGHT:

What about the taxes on electric rates?

MR. LUSH:

The taxes on electric rates. Everything, Mr. Chairman! As I said, I cannot think of one item that is normal, that is customarily taxed by governments but, we could name several that are untouchable items really by other governments that we have gotten into, such as taxing insurance premiums! We go after everything, Mr. Chairman, because this government has no initiative. They have no idea of how to generate revenues in this Province other than through taxing the people. Now, Mr. Chairman, I wonder -

MR. J. CARTER:

A point of order, Mr. Chairman.

MR. CHAIRMAN (Greening):

Order, please!

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

MR. J. CARTER:

I will wait perhaps because I should wait for my turn.

MR. LUSH:

Why do you not?

MR. J. CARTER:

I want to point to some falsehoods that the hon. gentleman stated.

MR. GILBERT:

He just cannot stand to hear a good speech.

MR. J. CARTER:

There is no way taxes in Newfoundland are as great as they are in some Provinces. I will mention Ontario as one province. The example that comes to mind is the Medicare tax or the hospital tax that everyone is required to pay which is extremely high. He can consider himself lucky to be living in a Province where the taxes are as light as they are. I agree that nobody likes taxes, least of all myself but, if we are going to compare apples with apples, let us do so honestly.

MR. TULK:

Further to that point of order, Mr. Chairman.

MR. CHAIRMAN:

Further to that point of order, the hon. the member for Fogo.

MR. TULK:

The member for St. John's North is right, he should wait his turn and hopefully when he gets up and says something, he will say something sensible for the hon. gentleman. The truth of the matter is that my friend for Bonavista North is making an excellent speech. He is pointing out the burdensome taxes that we have to put up with in this Province and the member for St. John's North cannot stand to hear the truth. Let me say this to him: if he cannot stand the heat, he should get out of the kitchen. He has to stand the

truth in this House, Mr. Chairman, and stay in his seat. I would ask you to see that he does stay in his seat and does not make a fool of himself.

MR. CHAIRMAN:

To that point of order, there is no point of order. There is a difference of opinion between two hon. members.

The hon. member for Bonavista North.

MR. LUSH:

Mr. Chairman, it is just an example again of the acerbic member for St. John's North asseverating, that is all that it is. That is his favorite tactic in this House, to asseverate.

Mr. Chairman, there is no question that the people of this Province are taxed to the hilt. Sometimes I wonder if we have the same spirit and zeal as the New England colonists. Do you remember the great Boston Tea Party, the famous tea party because of a little tax levied without representation? We have the heaviest taxes in the land levied with representation!

MR. TULK:

We should have a Tory tea party here.

MR. LUSH:

Mr. Chairman, if we where these people there would be tea parties all over the place, nothing but one massive tea party right throughout the Province of Newfoundland and Labrador, objecting to the excessive taxes that our people have applied to them.

MR. TULK:

We should have a Tory tea party and drop all of them in the

harbour.

MR. LUSH:

Mr. Chairman, I just wanted to make that comment. I was totally surprised when the Minister of Finance (Dr. Collins) indicated that we were not horrendously taxed, and there is no wonder that we are going to be taxed more and more because the minister responsible does not recognize the problem. He does not recognize that we are taxed to the hilt. He does not recognize that the people of this Province cannot bear further taxation. How can they look to any reprieve? How can they look to, Mr. Chairman, any kind of a reprieve from this heavy burdensome taxation when the minister does not even realize that they are being overtaxed.

Mr. Chairman, we can only look for more taxes, taxes piled upon top of taxes because we have a minister who does not recognize the problem. He does not recognize the tremendous and onerous burden that we are placing on the poor people of this Province.

Mr. Chairman, it might sound a little ludicrous, it might sound a little paradoxical but I would venture to say that there will be hungry children in this Province as a result of this tobacco tax. Mr. Speaker, we can say it is a luxury tax. We can say that, but I expect there are hon. members opposite who realize the difficulty of kicking this habit of smoking. I expect there are people who know that. There are ordinary Newfoundlanders, poor Newfoundlanders, hooked by this tremendous addiction to tobacco. Mr. Chairman, they are smoking their two and three packages a day, finding it very difficult to



give it up, and this government is going to punish them. This government is going to punish their children by piling on a tobacco tax for a habit that they have, an addiction that they are trying to get rid of, and we are going to impose a hardship on their children and on their families.

Mr. Chairman, the same with alcohol. We have removed every leisurely activity there is in this Province from the ordinary people of this Province. The ordinary people of this Province cannot have a puff. I do not agree with it, Mr. Chairman, I do not agree with smoking but other people do as they will. I do not agree with drinking. I rarely do it. I might take a little sip of wine from time to time but I rarely touch the stuff, Mr. Chairman. I do not agree with it. But, Mr. Chairman, we are removing every little bit of relaxation from the people of this Province. Combine that with the tremendous rate of unemployment that there is in this Province and what do our people have to look forward to? A life, Mr. Chairman of frustration, anxiety and total boredom.

Mr. Chairman, that is what this government has done to our people and this taxation is just a further indication, Mr. Chairman, of the loss of initiative of this government, the loss of creativity, their complete inability to generate revenues to run this Province in an effective and efficient manner. I am going to object to any tax imposed on the people of this Province, any further taxation that is going to make life more difficult for these people, that is going to be a burden on the ordinary people of

this Province, that is going to affect their standard of living, that is going to affect their ability to feed and clothe their children and to provide them with shelter.

Every hon. member with any decency, Mr. Chairman, with any sense of sensitivity toward the needs of the people of this Province has to reject any taxes imposed on the people of our Province. We have to.

MR. CHAIRMAN (Mr. Greening):

Order, please! The hon. member's time is up.

DR. COLLINS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, the hon. member is against taxes. So what is new? Mr. Chairman, everyone in this House is against taxes. I am against taxes. The Premier is against taxes. The hon. the member for St. John's North (Mr. J. Carter) is against taxes. I have absolutely no problem with the hon. member complaining about the tax level in this Province. It is a heavy tax level.

If you want to talk in relative terms, as I said yesterday, it is not an horrendous tax burden in this Province because there are other areas that have a higher tax burden than this Province has. I explained why yesterday. I have no problem if the hon. member wants to do it, but if he is the critic in terms of taxes, he should take a different tact than he is taking.

He cannot say, 'Just reduce

taxes,' without saying, 'What are you going to do to pay for the services that are now being given?' He has to come out and make some suggestions. Which does he want cut? The major parts of our budget are related to education. They are related to health. They are related to social welfare and they are related to the payment on our debt. That covers well over 85 per cent of our budget, those items. The rest of it, that is the running of government, the running of this Legislature, the running of the Department of Fisheries, the running of the Department of Forestry, the running of the Department of Public Works and Services, the running of the Department of Finance and so on and so on and so on, only take up a very small proportion of the budget. If the hon. member wants to get up and emote and be rhetorical and be pseudo emotional about things and say, 'Cut down taxes,' he is obligated to say, 'What are you going to do when you cut them down?' He does not do that. He just gets around with a lot of old froth and nonsense.

The other thing I would like to say is this: If the hon. member does not want to cut down on services, he still cannot criticize our tax regime. The way he can criticize is to say, 'You are putting too much tax on there. Reduce it but put the tax up more there.' He cannot have it other ways than that. He has either got to say, 'Cut down taxes and cut down services,' or if he will not say, 'Cut down services,' he can say, 'Cut down taxes in one part but increase them in another part.' Now that is if you want to be valid.

MR. TULK:

A point of order, Mr. Chairman.

MR. CHAIRMAN:

Order, please!

A point of order, the hon. the member for Fogo.

MR. TULK:

The hon. the Minister of Finance is obviously trying to follow that great speech that was just given by my friend from Bonavista North (Mr. Lush) and I have to warn him that he is not going to do it. If he keeps going the way he is going, I am concerned about him in that I am afraid he is going to have some sort of stroke or attack over there.

MR. CHAIRMAN:

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

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, the hon. member opposite almost broke me in my stride from my marvellous speech but I have managed to keep the thread in mind.

If the hon. member really wants to contribute to this debate - I mean I enjoy hearing the hon. member. He is a good speaker. I agree with the hon. the leader of the party opposite. I enjoy hearing him speak. He gets on in such a fashion and he waves his arms about in a very attractive fashion and he makes points with great emphasis and so on and so forth. He is a good speaker but, I mean, he does not say anything. That is the problem. That is the one criticism I have about his speeches. He dresses them up well. He delivers them well. Unfortunately he leaves out one

small thing. There is no content to them. So if he wants to put in content and contribute to the issue we are facing I think he is obligated to say, 'Lower taxes, therefore lower services,' or, 'Lower taxes here but higher taxes there.' That is what he has to say.

I suspect that the hon. member did place himself at a disadvantage because -

MR. FUREY:

A point of order, Mr. Chairman.

MR. CHAIRMAN:

Order, please!

A point of order, the hon. the member for St. Barbe.

MR. FUREY:

Could the hon. the Minister of Finance tell the House then with the Mulroney cutbacks in transfer payments, I believe \$25 million per year, does that mean that now we will see an increase for sure in taxes just to keep health and education at the standard that they are currently in this Province?

MR. CHAIRMAN:

The hon. the Minister of Finance to that point of order.

DR. COLLINS:

Mr. Chairman, the hon. the member unfortunately does not seem to read the papers because the hon. the Minister of Health and myself released a green paper dealing totally with that subject. We are asking the people of the Province to help us, to give us the benefit of their collective knowledge on how we handle the cutback in increases in transfer payments that the federal government are facing us with? We have asked

that question. When we get in the combined wisdom of the people of this Province, we will be letting the House know and the people of this Province know what the people of this Province are saying.

MR. FUREY:

On a point of order, Mr. Chairman.

MR. CHAIRMAN (Greening):

On a point of order, the hon. the member for St. Barbe.

MR. FUREY:

I understand that you did ask the question, Mr. Minister. I believe you put forward four options. But then you turned around yourself and the Minister of Health and cancelled out privatization, cancelled out swelling the deficit, and cancelled out the other particular one. So what was left was tax increases. You yourself said that. Why did you go to the people? You offered four options and at the same press conference both of you sat there and cancelled out three of the four options in your own minds and you are part of the Cabinet, therefore what is left is tax increases to maintain health and educational services at current levels. So your questions were axiomatic.

DR. COLLINS:

Do you want to rule on that?

MR. CHAIRMAN:

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

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, obviously there is no point of order there. I mean, if the hon. member wants to get up and make an argument I think that he should wait until his turn to

speak in this House and then make his argument, because all of his remarks are totally argumentative.

The hon. Minister of Health (Dr. Thomey) and myself took a very responsible approach to this problem we are faced with. We laid out the options as we saw them. We made the point, and when we said that we do not say that these are all the options, if somebody else has any other options, we would be absolutely pleased to hear from them. We said do not hone in on the taxation options. Please let us have your views on all the other options. We made that very distinctly clear. I have been sidetracked in my remarks.

As I say, the hon. member for Bonavista North (Mr. Lush) put himself at a disadvantage in this way, because he clearly did not read the bill, unfortunately. It will help him if he reads the bill that he is debating because in his remarks he suggested that we were now, by this bill, going to take food out of the mouths of children through tax increases on tobacco.

We are not increasing taxes on tobacco. The taxes on tobacco when this bill is passed are going to be exactly the same as the taxes before the bill is passed. There is no tax increase in this bill. There is no food coming out of the mouths of the babies. There is not even cigarettes butts coming out of the mouths of babies as a result of this tax bill. So I would encourage the hon. member to read the bill before he debates it.

Now he did get into the question of employment and unemployment in this Province suggesting that the

reason why we do have the tax level we have is because unemployment is increasing and we are not handling it and that sort of thing. Of course the hon. Leader of the Opposition asked me a question yesterday in relation to a question he asked the hon. the Minister of Career Development (Mr. Power), and whatever the other part of his title is, on the address I made to the Board of Trade.

He thought he had the bones of an argument there when the minister quite rightly said, yes, our programmes are working and then he said that I said that employment has not changed in the past year. So the hon. Leader of the Opposition was dealing with statistics. He knows this is a very tricky area dealing with statistics. You could almost prove anything. Everyone knows that famous remark about statistics.

I would like to just emphasize the difficulties when you try to be clever about statistics. I would like to emphasize this way. I understand the Leader of the Opposition was on a holiday down in Florida recently during the break. I cannot vouch for this rumour, but I will just spread the rumour.

The rumour is that the hon. Leader of the Opposition was down on the beach one day and he was playing with his sand bucket and his little shovel. He was digging a hole in the sand and then he would run to the water, the water of the sea, he would fill his little bucket with water and he would rush back and he would pour it down into the trench or hole he had made in the sand. He was at this for about an hour or so and

his good wife was lying nearby enjoying the sun. After a while he went over to her and in a very plaintive voice said, "Good wife, the water is not filling up the hole in the sand. Why is it not? I have a hole here and I am pouring in all this and it is not filling up the hole in the sand." So she had to take him by the hand and said, "Now Leo, now Hon. Leader of the Opposition, you must understand that just because you put something in, it does not necessarily mean that it is going to fill up. It can run out." So, I mean, do not be too simplistic about your whole approach to this whole thing.

This is what the hon. leader forgot when he tried to get into statistics. The hon. Minister of Career Development (Mr. Power) was quite right, absolutely right, that there have been jobs given as a result of these programmes. It is also correct to say that on an annualized statistical basis the number of people employed in 1985 is the same as in 1984. That does not mean that those jobs were not created. It just means that something happened that took out jobs. As the hon. member was valiantly, efficiently, efficaciously and assiduously putting jobs in, there were jobs running out. You may say, well, that is the fault of the government.

I would remind hon. members that one reason for the jobs running out was that we had a very severe down turn in the inshore fishery last year. That was probably one of the worst inshore fisheries we have had in the past decade if not longer than that. There were a lot of unemployment side effects from that down turn in the fisheries. You cannot blame that

on government.

We have broad shoulders and we will accept our responsibilities in terms of what goes on in this Province insofar as we are responsible for them but, we cannot accept the responsibility for a poor inshore fishery.

MR. CHAIRMAN:

Order, please!

The hon. minister's time is up.

MR. FUREY:

I have a question for the hon. minister.

MR. CHAIRMAN:

The hon. member for St. Barbe.

MR. FUREY:

Are your shoulders big enough to accept the responsibility of the four month delay for the \$9.5 million in emergency funds? Are your shoulders big enough, Mr. Minister, to accept that delay because there are still areas in my riding waiting for the contract which we pointed out prior to Christmas? Perhaps you could tell us if your shoulders are big enough to accept that responsibility.

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. COLLINS:

We will accept the period of time needed to put in this totally new programme, a programme such that the provincial government has never had to put in before. Unemployment arrangements are usually instigated and essentially managed at federal level. This was the first time that this was handed to the provincial government saying, you, close to the workers, are the best one to

implement this emergency scheme, do it in the best way possible. What we did was accepted that responsibility. We went to the unions, we went to the fishing union and said, 'Help us now to put this in.' Ourselves and the unions worked closely together. It took a bit of time to do it, longer probably than anyone wanted, but it took that necessary amount of time and I think when it was finally put in, and it was not that much delay on it, when it was finally put in it was very efficacious. If the hon. members want I have figures here to show how efficacious it was.

MR. FUREY:

Mr. Chairman.

MR. CHAIRMAN:

The hon. member for St. Barbe.

MR. FUREY:

Mr. Chairman, a point of clarification for the benefit of the Minister of Finance (Dr. Collins). The infrastructure and the mechanism federally, provincially and with the union was in place in 1982 when they had such a programme called the The Emergency Response Programme For Fishermen. To say that this is brand new, something foreign to you, is wrong. This programme was in place in 1982, the mechanism was in place in 1982, it was delivered faster in 1982, so what you are essentially saying is that even with this as precedent in the past, government solely must take the responsibility.

I thought I heard you clearly admit that the programme was passed directly to you from the federal government which gets them of the hook. You conferred with the union who were gripping to get this programme in place as fast as

possible and that gets them of the hook, so clearly, it is nice to see the Minister of Finance stand in his place and say that this four month delay, which, by the way, the Minister of Career Development (Mr. Power) responsible for jobs in this Province said was no delay before Christmas, it is good to see you stand there and honestly accept your responsibility for all of those people prior to Christmas who were going hungry because of this silly contractual game going on between the manpower offices and the sponsors. We accept that you accept your responsibility in this matter.

MR. BARRY:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Chairman, I have just a few comments to make and I understand my friend for Bay de Verde (Mr. Reid) and a couple of others may have some comments but we hope to see this bill come to a vote sometime this morning. We are going to oppose it for the reasons that are already set out.

One of the other reasons is that I mentioned in my last day's comments that we object to this crushing burden of taxation that the minister has imposed on the Province and his attempt in this bill by beefing up the tobacco Gestapo to enforce that burden on the taxpayer. We object to this and we think that it is time the minister came to his senses and realized that taxation must be reduced not increased in this Province.

Now, I would like to get to the health considerations, another reason why we object to increasing the tobacco Gestapo in this Province and increasing the ability of the Province to relieve the citizens of this Province of their hard earned money through tobacco taxes. We feel that the time has come for more money to go into protecting our young people and all of the population against the ills of tobacco. There is a need for more education and there is a need for a greater percentage of the revenue that comes from taxing tobacco to be channelled into advertising so that everybody is fully informed and can make their reasoned choice as to whether or not they smoke.

At the present time the minister indicated \$43 million is being raised by taxing tobacco. Would the minister indicate how much money is going into preventative medicine? How much money is going into encouraging people not to smoke? How much money is going into encouraging fitness? I would like to have those separated, one direct anti-smoking advertising and the other the encouragement of fitness because I think the figures already mentioned are in excess of \$100 million in cost to this Province, maybe the minister mentioned it, can be directly related to smoking.

There is probably another \$100 million that can be related to cleaning up the work place and cleaning up homes and so forth from the residue of smoking. I would ask the minister if he would give us those figures. I would submit that we are going to find when he gives us those figures as to what is going into anti-tobacco advertising that those figures are ludicrous in their pitifully small

amounts. I think that we have to ask the minister to give serious consideration to increasing the amount of money that will be spent on advertising to encourage, particularly young people not to get into the habit.

I am surrounded by individuals who have given up smoking recently and they are in the throes of getting the monkey off their back. I can tell you, it is getting harder and harder to live with some of them, although by enlarge they are bearing it very well. It is a terrible addiction to try and have to throe but, we have brave and courageous individuals here who are fighting that at the present time. They need all the support from everybody in this House that they can receive.

Mr. Chairman, I think the time has come for the Province to consider whether it should legislate against tobacco advertising. Other than the very cynical reason of increasing the tax that government can make, how can we justify permitting the advertising of tobacco in this Province? Who is it helping? Who is it assisting?

We all know that that advertising, particularly the lifestyle advertising where you see those people going out and running a four minute mile and then coming in and smoking a carton; you see them doing all these tremendous athletic skiing tricks; and you see them out in the great outdoors doing every physical activity ever known to man as they pack the cigarettes into their mouths. Mr. Chairman, that is just fraudulent!

Then we have the recent controversy about a company that

has obviously, if you look at the ads, targeted the young person who is susceptible to being sucked into smoking. They have targeted the teenage audience, the teenage population and directed their advertising to these people. Cynical, it is more than cynical, it is criminal. Mr. Chairman, I think that the time has come for the Minister of Health (Dr. Twomey) to be in Cabinet fighting viciously to persuade his colleagues to give serious consideration to legislating against tobacco advertising.

Maybe it has got to be brought in in stages. Maybe you start off by advertising against tobacco advertising directed against young people, then maybe you get to tobacco advertising that gives a false impression by tying in lifestyle, high physical activity advertising with tobacco and giving the impression that you are a better athlete if you smoke. And then we will get to the stage where you have your legislation that maybe will prevent tobacco advertising that gives the impression that you are only cool if you smoke. You are only with it, you are only keeping up with the latest fad, you are only chic if you have a half dozen cigarettes that you are puffing away at.

Mr. Chairman, it is also time we consider anti-tobacco advertising. It is time that we started bringing out the heavy duty artillery, you know, none of this meek and mild stuff that we tend to see in our anti-smoking campaigns. I have seen a few dandies that sort of lays out the dissected lung. That gets your attention pretty fast.

As a matter of fact one of the

best anti-smoking ads I think that is on television now is the ad that promotes that toothpaste for smokers, when they do their tricks with various mechanisms to show the amount of residue that is left around, not just on your teeth either, after a few puffs. But the anti-tobacco advertising that is in there, I do not think any of it is government financed. It is financed by the various medical charities that take up this cause.

I think that really we have to seriously look at banning cigarette advertising period in this Province and whether it is a phased in process because there is an educational process that is involved that will take some time, I think we have to consider that.

The other thing is the smoke-free workplace. We have people who are now becoming more and more aware that even though they are non-smokers they are being subjected to smokers hazards through second hand smoke. We have had some legal cases, unfortunately they have been lost in the U.S. There was a very, very sensational one in the past year in the U.S. where an individual who had spent eighteen years in a small room with seven or eight smokers contacted lung cancer and sued a tobacco company, but could not prove the causal connection. I think it was the causal connection they could not prove. They lost the case anyhow. They might have had better luck actually if they sued the employer or the employees, although Worker's Compensation legislation might prevent that.

But, Mr. Chairman, I think that there are a lot of people in the workforce who are now being



subjected to the possibility of illness and disease as a result of second hand smoke and the Minister of Health (Dr. Twomey) should give serious consideration to looking at legislation to protect the workers.

Now I, as I say, tend to still have a puff from time to time. I am trying to quit it altogether. But I am becoming more and more aware that tobacco smoking in many places is becoming socially acceptable. Somebody put it to me, and I cannot put it in any less gross fashion because I do not think it should be put in any less gross fashion, that before very long smoking in public is going to be equivalent to picking your nose in public. With proper education I suspect that that is going to be the case before very many more years. It will come about more quickly if we see more positive legislative measures taken by members opposite.

The Minister of Health has a heavy duty and a heavy responsibility and we know that he is dealing with old Scrooge. I can assure him we will help him all we can on this side of the House to squeeze more dollars out of those filthy tobacco tax dollars, those \$43 million that the Minister of Finance is hoarding right now and trying to increase by this increase in the tobacco Gestapo.

Thank you very much, Mr. Chairman.

SOME HON. MEMBERS:

Hear, hear!

DR. TWOMEY:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the Minister of Health.

DR. TWOMEY:

You have covered the subject extremely well and you have shown in indepth knowledge of all the problems that appertain to smoking. However, any acquired habits in a lifetime are difficult to control. No matter what type of public education that you give to people, you cannot assume that you are going to change habits and lifestyles.

It is a fact that of all the ways that we can measure the health indices, as far as we know at this present time doctors, drugs and hospitals are only able to treat effectively 10 per cent of all the problems in the health care field. The other 80 per cent are due to various factors: One, our life-styles; our genetics; our eating habits; the economy; our income; and the environment is a very important one. For quite a number of years I think the various governments, both federal and provincial, have tried to encourage healthy life-styles. It has been called participation. There is one on drugs and alcohol. There is one on smoking. Every package of cigarettes has a warning in red, This is Dangerous to Your Health.

But a remarkable thing happens when we advertise, as we will be doing shortly. We are having a six week programme on health care as it relates to smoking directly. We are going to have advertising on television, on radio and in the newspapers. We are going to send out pamphlets. We are going to send out logos. All these things are being done.

I was asked how should we do it. I thought that the Department of Health's name should be mentioned

in these advertisements. Then I was advised by those who are knowledgeable in the advertising industry that you cannot do this because of Canadian radio and television rules and regulations. One has to be identified, so, in other words, the Department of Health. I questioned why and apparently from studies that had been done if you have a government agency that sponsors anything, it receives much less of a response from the public in general and especially from the youth.

Everyone knows, I think it has been and it is in the papers every day, it is on radio and television, that smoking in any way is injurious to health. More and more has been written about inhaling smoke in a smoke-filled atmosphere. The Department of Health has tried and tried energetically to have smoke free areas. The hospitals have done it and in many of the public board rooms and meeting rooms people have been requested not to smoke. I believe that in many departments, in many public institutions this law is being gradually obeyed by one and all.

Also you talk about legislation. It depends upon who you talk to, people have always got a simple cure. I do not think that government could ever introduce legislation that is going to interfere with the general health habits. You can say can you legislate that one has to run every day? Can you legislate that one has to be a certain weight the same as the Ancient Romans and Greeks did with their soldiers? These are things that are impossible in this day and age. To pick out one, I admit it is a major problem to health, but it is going to be very difficult for

governments to follow.

I admit also and I think we are all aware of the adverse affects of smoking on the cardiovascular system. It creates heart problems, that is number one. It creates vascular problems, it creates pulmonary problems. You have read I am sure every week an article in the paper or some magazine about the increasing instance of carcinoma of the lung in females and this is directly related to smoking. We also note there is an increase in the teenagers, especially among the young ladies who wish to smoke and in increasing amounts each and every day.

MR. FUREY:

Passive smoking.

DR. TWOMEY:

Passive smoking, yes. I have read on some of the lay magazines that are there about forty-two carcinogens that can be inhaled by passive speaking.

Again it is remarkable that cancer in females is 60 per cent related to their lifestyles and habits, whether it is smoking, eating, exercise and various other things. In men, it is 40 per cent.

MR. FUREY:

Mr. Chairman, would the hon. minister permit a question?

MR. CHAIRMAN (Greening):

The hon. the member for St. Barbe.

MR. FUREY:

I believe the hon. member for St. John's North (Mr. J. Carter) put some figures out onto the floor yesterday concerning taxation. Could the minister verify his figures? What percentage of the actual taxes collected from

tobacco are actually put back into health care?

DR. TWOMEY:  
Mr. Chairman.

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

DR. TWOMEY:  
No, I am afraid that I cannot answer that because all taxes come into the common fund and they are disbursed in the budget process.

We are spending \$539 million this year.

SOME HON. MEMBERS:  
(Inaudible).

DR. TWOMEY:  
The figure of \$539 million and it has gone up by 10.2 per cent every year for the last ten years. I believe in 1975-1976, the budget for health care system was \$192 million. It has gone up this present day to \$539 million. There are other things.

You asked how our health care will compare with the rest of Canada? It compares rather favourably. We have not got a higher morbidity, number one, our life expectancy is possibly the best of all the provinces of Canada. Our infant mortality also is at a favorable comparative level. There are only two other provinces, the provinces of Ontario and Quebec, which have a lower infant mortality.

We are making strides in health care, but I think it is going to be a slow process. Until you get the perfect ideal and principles of health style I do not think that we can reduce the cost of health care to our Province or our nation.

Thank you very much.

MR. FENWICK:  
Mr. Chairman.

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

MR. W. CARTER:  
I wonder would the hon. minister permit a question? Maybe I should make a suggestion to him.

MR. FENWICK:  
I will defer for the present, yes.

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

MR. W. CARTER:  
Maybe he would care to comment on it. I am interested in hearing his comments with respect to a planned public relations programme aimed, I presume, against smoking or discouraging smoking. He made reference to the fact that on every package of cigarettes there is a warning in red letters. I would suggest to the minister, Mr. Chairman, and to the Minister of Finance that maybe they are missing a very important point in their obvious attempt to discourage smoking.

I believe that if it were written on a cigarette package that every cigarette smoked there will be 4.75 taxes going to the provincial government, I cannot think of a greater deterrent to smoking. I cannot think, Mr. Chairman, of a greater deterrent to smoking than to know that every cigarette I smoke there is 4.75 cents going to the government to help offset the cost of the Premier's trip to the Orient, the cost of the Minister of Public Work's famous or maybe infamous sculpture that was placed in the new Confederation Building

or the money that is being used to pay the Deputy Ministers now their extra \$5,000.

Would the Minister of Health and the Minister of Finance give some serious thought to maybe making that fact known, that every time a Newfoundlander smokes a cigarette that almost five cents will be going towards helping to pay for the extravagance of this government. Also, our cigar smokers. You should not miss them either. Every time they puff on their old stogie they are paying sixty-nine cents, if it is a certain priced cigar, to the provincial government as well. That is something worth thinking about. So I would suggest that maybe this could be a very, very worthwhile instrument in the minister's very admirable attempt to deter people from smoking.

MR. CHAIRMAN (Hickey):  
The hon. the member for Menihek.

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

I have a few comments to make about the bill. I would like to end by suggesting two possible amendments that may be considered by the government. I know we do not generally amend these bills but for the light of the conversation here there are two I would like to end with.

Before I start I would like to go back over the details of a study that the Minister of Health was kind enough to give me several months ago on the effect of taxation on smoking. I think it is important to enter that information into the debate today.

SOME HON. MEMBERS:

Oh, oh!

MR. FENWICK:  
Mr. Chairman, could I have silence please?

MR. CHAIRMAN:  
Order, please!

MR. FENWICK:  
The first thing that the study that the Minister of Health provided for me, which I thought was an excellent study on it, indicated was that the cost of cigarettes has an interesting effect on the level of smoking. What it does actually is the higher the cost of cigarettes, the more it depresses the amount of smoking among young people, among teenagers, but among adults, it does not seem to matter how much the price goes up. Adults will smoke whether it is five cents tax on a cigarette or six cents or two cents. But among children, among teenagers who have a limited supply of money, the price is very important.

I look at the five cents a cigarette tax, the general tax on cigarettes, as an important tax because it is designed I think to, one, raise revenue but I think it has a secondary importance. It is not a neutral tax, as the Minister of Finance is used to talking about, because it is designed to discourage smoking. I think it is important. It is a punitive tax, I think, to a certain degree just as much as it is a revenue tax.

The other thing is that among adults it does not seem to discourage the amount of smoking. I think that among adults another approach is necessary. The study that the minister sent me indicated that promotional campaigns are much more effective

at decreasing smoking among adults. In other words, studies showing the link between smoking and lung cancer are effective at decreasing it. Other campaigns, for example, such as the kinds of things we are seeing on the television.

By the way, your advertisements are on television. I saw them on T.V. last night. I think they were sponsored by the nurses and by the Department of Health as well, and I think they are reasonably good.

Mr. Chairman, the important point here is that if we are going to attack smoking among adults, which in our Province is quite high, and among children and among teenagers, it is actually lower than the national average according to statistics, then we have to put more money into the kind of campaigns that would discourage smoking among adults. That is the important point.

Among teenagers our rate of smoking is lower than the Canadian average, but among adults it is higher so there is an interesting anomaly here and what it means, I think, is that we have to spend more funds in order to try and discourage smoking among adults.

I was looking at some of the figures. He says they are collecting \$43 million in taxes on tobacco products and let us say they were all cigarettes, I know they are not all but let us say they are all, that would mean something like 800 million cigarettes per year smoked in Newfoundand, which is quite a few. What I would like to suggest to them is if we put an additional tax of something like one-hundredth of one cent per cigarette, that

would raise, according to my figures, something in the range of about \$80,000 which would be committed specifically to discourage adults from smoking, which is the area that the higher taxation does not affect as much and it is the area I think we should be doing more work on.

What I am suggesting is, from my perspective and I am not sure what the position of the Liberal Party would be but I would suggest, given the Leader of the Opposition's suggestions on it, that if the taxation, or some part of the taxation on tobacco products were used specifically to try to discourage smoking and to try to keep people from smoking as much as possible because, although we do not have the exact numbers on how much smoking is costing us, I think that most doctors will admit that lung cancer is almost totally caused by the use of tobacco products and, therefore, we are paying a high cost for it. We have a legitimate excuse to make this a putative tax, not a revenue tax, a putative tax, that would be further more used in order to raise money to advertise against smoking in young adults.

So that is one suggestion I make is that I, myself, and I think perhaps the official Opposition maybe accommodating to it as well, that there be a link, that there be a certain amount of the revenue on cigarettes, and on tobacco, and on cigars, that would be used specifically for advertising campaigns and other things in order to discourage smoking. That is the first one.

The second is some objections that I have with this bill itself and I would like to ask that the Minister of Finance look at them

and consider the actual wording here and see if they can actually be changed because I am quite worried about it. As I read some of the sections here, this bill is designed for one purpose and one purpose only and that is to make sure that all the tobacco that enters the Province are taxed. It does allow for a small amount of tobacco to be bought by Newfoundlanders and Labradorians outside the Province and brought in. It does allow you to hold a bit of it. But what it says in several sections here is that you can bring no more than one carton of cigarettes in from outside the Province. I think that that is a kind of a limit that could be very easily abused. It would mean that if you have a carton of cigarettes and another package in your pocket you are, strictly speaking, breaking the law if you drive across from Nova Scotia on the ferry with that in your pocket and a carton of cigarettes.

MR. FUREY:

Not if you fill out a form for the Gestapo.

MR. FENWICK:

I know but the point is that that to me is a limitation I think we have to be very careful of.

Furthermore, in the legislation it also says a person who has possession, Section 28, subsection (1), "A person who has possession or control of more than a prescribed quantity of tobacco may be required by the minister to show proof of ownership satisfactory to the minister and proof that the tax has been paid." So what that would mean is that if I had more than a carton of cigarettes, and I understand the prescribed amount now by regulation is a carton, that means

that if I had more than a carton of cigarettes at home, then I am strictly speaking in default of this section and must, if asked, prove that the actual cigarettes have had a tax paid on them. If I lost the slip that I used to buy it with that the local grocery store, strictly speaking that could be confiscated from me.

I think that that is important to recognize that there is a slight over zealousness here. I do not think it is intentional, but I think it is there and I think that it can be abused. So I would like to suggest to the Minister of Finance that they look at that section with the view to having the limit at a little bit more than one carton. I do not want to appear as though I am contradictory in saying in one breath that we should discourage smoking, and in another that we should not, but the fact is that I know people who have gone outside the Province and bring back habitually two or three cartons of cigarettes and that is enough to last them a week or two or three or whatever the consumption rate is. I think to sort of force them to say, "Well you can only bring one in and beyond that you have to start registering it and you have to pay an additional tax on it," I think that is a very dangerous thing. After all, we are an island. It is not that easy to go into another state or another province or some other country in order to get the cigarettes and bring them back. It is not as though we are talking about a very easy thing. Of course, the tobacco tax in areas such as Labrador West and the Coast of Labrador where it is easy, has been adjusted to reflect the taxes from the Province of Quebec as well, so we do not seem to have

any problem there anyway.

I would like to make two suggestions to the minister. First, they should adjust the prescribed quantity of tobacco upwards slightly so that we do not end up with people ending up breaking the law by bringing back two cartons on cigarettes and secondly, that he consider a special punitive tax to be used for advertising against cigarettes in order to ensure that we can break down the amount of smoking that is done in the Province.

Thank you, Mr. Chairman.

MR. CHAIRMAN (Hickey):

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, I would like to respond to a few points that have been raised and I would also like to bring up a slight technical problem that we have here which I have already discussed with the Leader of the Opposition.

The hon. member for Twillingate (Mr. W. Carter) suggested I think somewhat factitiously that we should deter smoking by saying that every cigarette you smoke, that there are four or five or six cents going to the provincial government. I have to be unalterably opposed to that because if we do that we would have to say to people who are earning an income, "Every dollar you earn in your income, remember you are giving a certain amount in income tax to the provincial government." We would have to say to every business who is carrying on business in the Province, "Every dollar you earn, you are paying corporate income tax which goes back to the Province." So we could halt totally all economic

activity in the Province if we subscribe to that policy and I do have to say that I am unalterably opposed to it. I hope that the hon. member did mean it factitiously.

Now on another, perhaps more important point, the hon. member for Menihek (Mr. Fenwick) says, in effect, we should dedicate some of our tax revenues from tobacco taxation for specific purposes. Now I am sure he meant that in all good faith and I suppose there some validity to the argument but, I would point out that that is a very radical departure from the way we carry on our activities in financial terms in this Province and indeed all Provinces do. I cannot think of any Province except perhaps in very minor areas that dedicate taxes. All taxes go into the consolidated fund and then the House of Assembly, through its ratification of the expenditure budget, decides where that pool of money will go and if they want to say a certain amount of money will go to the anti-smoking campaign or whatever, that is up to the passage of the estimates but, in a prior fashion, to actually dedicate some money so it will not go into the consolidated fund but, will go into a certain direction is a very radical approach to the way budgets are handled in Canada and certainly in this Province. We do not dedicate any taxes.

The other point that the hon. member brought up was this business about one carton and he is quite correct-

SOME HON. MEMBERS:

(Inaudible).

MR. CHAIRMAN:

Order, please!

MR. TULK:

A point of order, Mr. Chairman.

MR. CHAIRMAN:

A point of order, the hon. the Leader of the Opposition.

MR. TULK:

I am glad he is leaving because the Minister of Finance is trying to get an amendment across this House and he is constantly being interrupted by his own member. If he cannot keep quiet while he is trying to put an amendment that we would like to hear, we would ask Your Honour to toss him out of the House.

SOME HON. MEMBERS:

Hear! Hear!

MR. CHAIRMAN:

The point of order is well taken.

Order, please!

The hon. minister deserves to be heard in silence.

DR. COLLINS:

I concur with the hon. Leader of the Opposition said but, I was going to phrase it a bit differently. I was going to say that the member behind him was the interrupter but, on this carton business, the hon. member for Menihek, strictly speaking, is correct but, I would remind him that if he has ever been stopped for speeding he knows that the police will not charge you if you are going one mile over the limit or a certain amount. As a matter of fact, I do not think the courts would accept that and certainly in practice, police say you have to be going five or ten per cent over the speed limit. I am sure that the hon. member, if he has ever gone through Customs, knowsthat Customs Officers will not be very

careful in making sure that you are only bringing in, whatever it is, two liters of liquor. Who cares, you know. But if you bring in ten liters, that is another matter. In other words, it is very difficult to put into law really precise things. You have to put in the area you are aiming at and then in practice you have to have a little flexibility. I think that that is what we would do here. What is different about one cartons or two cartons or whatever. You would get into the same problem if we said ten cartons. Suppose if we, in that case, brought in ten cartons, one packet, you are in the same problem. I think all we can do in legislation is say, 'Here is a sort of a reasonable amount,' and then depend on the good senses of people who have to implement what we legislate in this House, that they will do it in a sensible fashion.

Mr. Chairman, the reason particularly why I rose was just to bring something to the Committee's attention and ask their understanding of it. As I mentioned I discussed this with the Leader of the Opposition. Strictly speaking, we are not debating the bill at this stage. We are debating a resolution or, as my good friend from Bonavista North (Mr. Lush) says, we are debating a resolution. So you, normally speaking, at this stage cannot amend the bill because we are not debating the bill. We cannot really, strictly speaking, bring in an amendment because of this rather peculiar arrangement we have on money bills whereby we debate the resolution, if the resolution is passed, it is assumed that the bill will be passed and then we will go all the way through. If we tried to amend



later on really you would have to go back into the House, pass a new resolution because the resolution we are debating relates to the specific bill that is being circulated. So we are on a bit of the horns of a dilemma.

I discuss this because we do have to bring in three amendments. Two of them are extremely minor and one is not very important but it has to be mentioned. I would suggest to the Committee that I be allowed to indicate what these amendments will be and then, in passing the resolution, the Committee would understand that as we read through the clause by clause at third reading that these amendments will actually be read, as opposed to the ones that are written. As I say, if we do not do it that way we do not have a resolution or we would have to come back in the House. I discussed it with the Leader of the Opposition and he agrees. He said, "This is only a technical point. We are going to vote against the whole thing anyway but we are not going to make a big issue about these points."

If I may just point out what the amendments are: In Clause 50, the date there is 1985 because it was assumed that we would be debating this in 1985 but it is in 1986. So we want to change 1985 to 1986. There is nothing to that. Similarly, in Clause 79 it refers to the Tobacco Tax Act, 1985 and we want to change that to the Tobacco Tax Act, 1986. Again, a minor amendment.

The other amendment is a little bit more substantial but I think members of the Committee will understand its reasonableness. Clause 41 deals with an inspector who, on reasonable grounds,

believes that a person is contravening or has contravened the provisions of the act, the inspector may with a warrant issued under a previous section of the act - and going down to (d) "take away any such books or records for the purpose of making copies thereof, which books and records shall be returned forthwith after copies are made." Now we want to alter that to read, not which "books" shall be returned forthwith but, "and copies shall be returned forthwith" to the person from whom the books and records are taken.

The reason for this is is if you go into court and are pursuing a conviction and you present copies, the court will rarely accept them. They want the originals and sometimes you have to have a validation of signatures type of thing. Well, you cannot do that really on a copy. You have to do it on the original. So what we are saying is, and the retail sales tax has the same provision, that under warrants we can take the records, but instead of giving the records back before the case comes to court, we will give copies back so that there is no interference with the activity of the business, but we will hold the original records until the court has a chance to rule on them, then the originals will go back.

This is something that the lawyers understand because it is all very technical. It is just that a copy is the same as an original really for the man in the street, for you and I, but the courts and the lawyers say no, something must be original. It just makes the whole thing ridiculous if we let the originals go. So it seems to be quite reasonable. It will be any interference with the business

concerned if they have all of their records back in terms of copies as opposed to the originals and then the originals would go back in the first instance.

So if the Committee agrees with that, we will just sort of pass this resolution with the assumption that those are in the clauses as we read through the clauses.

MR. TULK:  
Mr. Chairman, on a point of order.

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

MR. TULK:  
Mr. Chairman, just to let the record show what is happening here. Of course, we recognize that the Minister of Finance (Dr. Collins) and two of his amendments is his usual self. He is a year late, 1985, 1986, he is a year behind. But the format by leave, of course, as the Leader of the Opposition (Mr. Barry) has said to him, and we want to show it is by leave, by leave we will allow the amendment to come in. Of course we will be voting against as the Leader of the Opposition has already said, we will be voting against the bill, but at least we will give leave for him to bring in those kinds of amendments that he wants to bring in at this stage, just to facilitate matters and get them moved through this House.

MR. DECKER:  
Mr. Chairman.

MR. CHAIRMAN (Hickey):  
The hon. the member for the Strait of Belle Isle.

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

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

MR. FENWICK:  
Yes, leave is being asked now, Mr. Chairman, I do not give leave, so there is no unanimous consent.

SOME HON. MEMBERS:  
Oh, oh!

DR. COLLINS:  
Mr. Chairman, to that point of order.

MR. CHAIRMAN:  
Order, please! The hon. the Minister of Finance.

DR. COLLINS:  
The hon. member for Menihek (Mr. Fenwick), of course, is quite within his rights. I guess we are asking for leave, although I did not put it in that form. I put it in terms of an understanding that is a reasonable thing to do. But I suppose it is -

MR. TULK:  
It is in the form of leave.

DR. COLLINS:  
Yes, the hon. House Leader opposite said it is in the form of leave, but I have no problems with that. I just want to point out really to the member for Menihek that my understanding of the matter is that if we do not do it this way it means one of two things: we have to pass the bill as it was originally written and there is a serious defect in the bill in actually the implementation at court level of the bill. In other words, if the members of this House finally accept this bill and I strongly suspect they will, even though there will be some opposition to it, nevertheless, it will then go

forward in a very defective way and the courts will not be able to deal correctly with the will of this House because there will be that defect there. I am sure some lawyer will get onto it and say the original did not come back, you only got copies here and the court will have no other option but to throw out the case. I think that will be going against the will of the House and it would be a most unfortunate situation. That is one way of dealing with it.

The other way will be that we will have to come back with a totally new resolution as though we had never started debating this resolution and the bill that will be introduced subsequently. In other words, we will have to go through the whole bill again and I really fail to see why one should waste the time of the Committee and really put the Province to a certain degree of expense in doing something that. I think it is a reasonable sensible thing to ask and that we could avoid that expense.

I just want to bring it up. I do not question and quarrel with the hon. member for his right to refuse leave, but I would ask him if he would just consider those points and perhaps come to a different conclusion.

MR. FENWICK:  
Mr. Chairman.

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

MR. FENWICK:  
In reply to that, co-operation I said before was a two-way street. It is a three-way street. Considering the amount of co-operation that I have received, I do not see any point at all to

give leave under any circumstances. The Minister of Finance mentioned that he brought it to the Leader of the Opposition's attention and talked to him about it. He did not have the courtesy to do that with me. I see no reason to give leave. Let him do it the long way.

MR. TULK:  
Mr. Chairman.

MR. CHAIRMAN (Hickey):  
The hon. the member for Fogo.

MR. TULK:  
Mr. Chairman, perhaps you might just take a short recess to rule or to make some ruling on the point of order, if Your Honour is not already prepared to do so.

MR. CHAIRMAN:  
I take it what the hon. member is referring to is whether or not leave is required to deal with the amendments in this fashion.

MR. TULK:  
What other channel is open to us?

SOME HON. MEMBERS:  
Oh, oh!

MR. TULK:  
Do not be ignorant my son, I am trying to co-operate with the Speaker of the House - grow up.

I think in order to make that type of amendment, I believe that is correct, I am not sure if it is, but I believe that is correct, you have to have unanimous leave of the House. We have given it. The member for Menihek (Mr. Fenwick) has not. What I am suggesting is that perhaps His Honour might want to leave the Chair to consider two things. First of all, whether leave is required to do it at this stage and secondly, perhaps, if

leave is required, what other channels are open to the House to see that this matter is dealt with.

DR. COLLINS:  
Mr. Chairman.

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

DR. COLLINS:  
To that point of order. My understanding, strictly speaking, but this is only an opinion, is that leave is, strictly speaking, not required for this. It is an unusual situation, granted, but my understanding is it is not. I agree with that suggestion that a recess will be in order and we could settle the point.

MR. CHAIRMAN (Hickey):  
The Committee will rise and recess for five minutes.

Recess

MR. CHAIRMAN (Hickey):  
Order, please!

The Chair's ruling on this matter is that leave was not required insofar as this issue is concerned. We have considered the matter and it is my interpretation that the Minister of Finance discussed this matter with the Leader of the Opposition in terms of procedure and explained it so as to avoid maybe a repetition of debate because certain amendments were involved.

It is not my interpretation that the minister sought leave because, as the rules would apply, leave was not required. Consequently, the point raised by the member for Menihek is not in order because if leave is not required of the

official Opposition, of course, it is not required of any member of the House. I would therefore rule that leave is not required and the debate can continue.

The hon. the member for the Strait of Belle Isle.

MR. DECKER:  
Mr. Chairman, looking at the title of Bill 50, "An Act Respecting Tax On Users Of Tobacco," I suggest to the hon. Minister of Finance that a more appropriate title might be, "Another Brutal Attack On Basic Freedoms." This is exactly what this is, Mr. Chairman. This is not about smoking or not smoking, about the dangers of smoking.

The hon. the Minister of Finance puts up the hon. the Minister of Health who smokes like a Winter's tilt, I understand, and starts telling about the dangers of smoking. This debate, Mr. Chairman, is not to be sidetracked into the dangers of smoking or secondhand smoke or hazards of smoke in the workplace. There is a place in this Province for legislation concerning where one is allowed to smoke and where one is not allowed to smoke. The government is remiss, the government is not doing its duty if it has not addressed that problem already.

But what we see here in this bill, Mr. Chairman, is another brutal attack on the individual freedoms of Newfoundlanders. What we have here is another excuse for any police officer to come up and stop me in my vehicle and make me roll down my window and say, "Do you have 201 cigarettes in your car?" The Minister of Finance (Dr. Collins) can go on with all the silliness he likes about the police not going to give you a

ticket for 201. Will he give you a ticket for 202? What silliness! Are we going to put interpretation of the law into the hands of the police force again and again and again as we have been doing?

Mr. Chairman, since this administration has been in power we have seen a total, continual erosion of individual freedoms. If there is one thing that the Newfoundlander took pride in for the past 500 years on this rock is that we have been free people. We have been free people. But, Mr. Chairman, these freedoms have been taken away and every time we see legislation come before this House, we see another police force given more power to attack the individual freedoms of Newfoundlanders.

Mr. Chairman, the people I think about today as we put this act through this hon. House includes my brother who today is running a small business in the Strait of Belle Isle. The Department of Health can walk in any time they like, whether it is convenient or not convenient for him is totally irrelevant. They can close him down if the knife that he used to cut a piece of meat happens to be left on a table with no oilcloth on it. He can be closed down. Oh, the police officer has the right of discretion the Minister of Finance would tell us, but the letter of the law, Mr. Chairman, the letter of the law does not protect that basic businessman.

I think of the business up in Cook's Harbour who at any time at all someone from the Egg Marketing Board can come in to see if he paid his two cents on his dozen of eggs. This is what is happening, Mr. Chairman.

The most brutal one of all, Mr. Chairman, is the collection of sales taxes in this Province. Such an utter confusion has never been known in the history of mankind as is found in the collection of sales taxes in this Province.

MR. J. CARTER:

Have you complained?

MR. CHAIRMAN (Hickey):

Order, please!

MR. DECKER:

Mr. Chairman, would you ask that hon. member to shut his mouth? I am trying to make a good point.

There is a tax on a ladies dress, if it is size fifteen and fits a woman who happens to be anywhere from fifteen to ninety-five - if a mature woman wears it, it is taxable. If the dress is size twenty-four - I am sure the hon. Minister of Justice (Ms. Verge) knows the size I am talking about - if a dress is size twenty-four and worn by a fourteen year old girl, Mr. Chairman, it is not taxable. Can you imagine the confusion that you have put upon the poor fellow who is trying to carrying on a retail business in this Province, the confusion of taxes?

Let me give you another one, Mr. Chairman, which I am sure is going to make your blood cringle. If you are selling carpet, if you bought your house through Newfoundland and Labrador Housing and they have come into your house - to inspect it - that is another thing, more freedom. They can walk in when they like and say, "Look, that carpet needs to be replaced." Okay, so you go down to buy a new carpet for this house which the hon. minister's Gestapo

makes you replace. If that carpet is going to be wall to wall, Mr. Chairman, the rate of sales taxes is going to be 8 per cent. If that particular piece of carpet, Mr. Chairman, is going to be a ten by twelve or a rug to go in the center of the room, it is not taxable. The onus is not on the buyer, but the onus is on the seller, the onus is on the small businessmen, the backbone of this Province, we are told. Nobody means it I am sure, surely this administration does not mean it. This administration means that the small businessman is somebody you are going to attack, somebody you are going to scrape taxes off, somebody who you are going to try to put out of business but, yet it is the small business man who has to decide whether that tax is going to be wall to wall, whether you have a large or small living room, whether it is going to go into the bedroom and go wall to wall or whether it is going to be rug in your living room, such utter confusion, Mr. Chairman.

In construction, you see there are two levels of taxation.

AN HON. MEMBER:  
(Inaudible).

MR. DECKER:

No, at twelve per cent. Are you following me? Thank you for correcting me. I said a rug, if it is a rug, it is twelve per cent and if it is wall to wall, it is eight per cent. But, now the other thing is the house could be fifty years old, Mr. Chairman, and if you put in wall to wall carpet, you get it for eight per cent sales tax.

I am just trying to point out some of the confusion that this stupid administration is placing upon

small businessmen in our Province. What we see here, Mr. Chairman, is another example. The amendment that the Minister of Finance is talking about, he is giving his Gestapo, his storm troopers the right to walk into the premises of a small business and take their books and give them copies.

Mr. Chairman, the hon. minister recognizes that the courts will not accept copies but, yet it is good enough to give the fellow who owns the records copies. What about the next time when another department or another Gestapo comes along? What are we going to do now? The Egg Marketing Board comes along and discovers that this man only collected one point six cents on a dozen eggs instead of two point three and a quarter or whatever it is. He has got nothing but copies left.

That businessman, Mr. Chairman, is going to be hauled into court on three counts. Number one, he is going to be hauled in in the first place under the tobacco act, whatever it was for, which took his books. Number two, the Egg Marketing Board is going to take him in because he did not collect his two and three quarter cents and, number three, Mr. Chairman, he is going to be hauled in because he does not have the originals of his books, all he has are copies.

This is getting so silly, Mr. Chairman, that it is time for the hon. Minister of Finance to get his act together and learn how to apply taxes in a way which is sensible. It is an absolute nightmare and if the hon. minister disagrees with me, let him call any ten small businessmen at random in this Province today.

They will tell him quite fluently, quite vocally, Mr. Chairman, that the collection of taxes in this Province today is in absolute confusion and no small business man knows how to deal with it.

There is another point here I was looking at, Mr. Chairman, which I found hard to believe. We have to change it from a retail sales tax because this is not a sales tax. On page twelve of this act, when is a tax payable, "When a retail purchaser acquires tobacco from a dealer, the purchaser shall pay the tax to the dealer at the time the tobacco is purchased or the delivery of the tobacco is received." This is talking about the retailer, Mr. Chairman, who buys tobacco to resell, he is paying a sales tax on something before it is sold.

It is bad enough to expect a small business man in this Province to collect taxes for nothing. He does not even get to pay the cost of his thirty-four cent stamp for posting the cheque and he is not allowed to use the money. The money has to be held in trust.

MR. CHAIRMAN:  
Order, please!

The hon. gentleman's time is up.

MR. DECKER:  
Thank you, Mr. Chairman.

MR. EFFORD:  
Mr. Chairman.

MR. CHAIRMAN:  
The hon. the member for Port de Grave.

MR. EFFORD:  
Thank you, Mr. Chairman.

Mr. Chairman, the hon. Minister of

Finance (Dr. Collins) has been referred to the Gestapo but he brings me more to mind of the merry days of Robin Hood and Prince John's tax collecting ways. We have been hearing in the last two days the high taxes in this Province are not near as high as in Ontario or Quebec. While taxes may be equally as high on some things in Quebec and Ontario, it is certainly a fact that jobs per capita are much higher in those provinces than here in Newfoundland with 79,000 people unemployed. The tax burden on these people, not only the tobacco tax, but the tax on gasoline and the tax on everything else when you have very little income it is a very difficult thing. I myself do not agree with smoking because of the health hazard, still, because it is a free society, we have the right to do it or not to do it, but at the price we have to pay for them, it is a wonder that anybody can possibly do it at all.

I do not think this should be debated as long as it has because there are many more things in this Province much more important than the Tobacco Tax Act. But there is one thing I see very wrong that is going to effect our tourist trade. The tourist trade is very important to this Province. We need new dollars in this Province, we need a great amount of new dollars, and one way of getting them is to encourage tourists, but this government today is, in every conceivable way, trying to discourage tourists from coming to this Province.

We have the high cost of gasoline, the high cost of food, the high cost of transportation, poor road conditions and now we find out that the situation that the

tourists are going to be put through when they come to Port aux Basques. I want to quote here, "A person who at Port aux Basques brings tobacco into the Province in a motor vehicle shall immediately report the matter to an official." Now that in itself is inconvenient if every individual who comes into this Province has got to do that.

I want to go further in Section 6, "Section 4 and 5 do not apply to a person who brings into the Province or acquires in any other way that the mention in Section 3 tobacco is less than the following quantities, 200 cigarettes." Well 200 cigarettes is only one carton and if I were in Toronto, Quebec, or Nova Scotia and I wanted to visit Newfoundland and I was a smoker and I was coming down here for two or three weeks, I think I would be at least go and take six or seven cartons aboard my car. I would not want to pay the price that we are paying here in Newfoundland for them.

MR. TULK:

That will be another amendment, just watch.

MR. EFFORD:

This part here is something that is important and vital to the tourist trade in this Province. They have to pay \$3.25 for a gallon of gasoline. Unfortunately, they cannot take a drum of gasoline in the back of their car but they can take four or five cartons of cigarettes so we are not trying to encourage the tourist trade industry as we should be doing. The government are trying to discourage and turn them away and that is par for the course of the government of today.

This is a matter that has to be looked at and I for one will oppose this bill on that principle alone because we cannot stand the loss of income in this Province. We need every possible dollar we can get and this Province now is totally neglected in the tourist trade. We have nothing to encourage people to come down here whatsoever. We get on the ferry coming across Port aux Basques to go into Argenticia and there are huge rates. Why the government is not pressing and pressing more to make it a part of the Trans-Canada I do not understand. This little thing here, 200 cigarettes, I thought when I read it there might have been a typographical error there because 200 cigarettes is only one carton. So every individual who travels from mainland Canada to Newfoundland has got to be subject to an inspection because they have a carton of cigarettes or more in their suitcase. I mean we are not travelling from Canada to Germany or from the United States across the border. We are a part of Canada and one carton of cigarettes is unbelievable, or twenty-five cigars. If I was up in Ontario coming to Newfoundland I would think about bringing home a couple of boxes of cigars to give to some friends. Now if I do that, it is illegal. They have to levy taxes on them. Disgraceful oversight! Stunned! And they said the member for Port de Grave was stunned because he made a simple error in saying one word. When you say things like this in an act, that a person with 200 cigarettes or twenty-five cigars is going to be put through this humiliation and inconvenience probably in a downpour of rain or snow - they have to get out in a car and be searched because they have an extra carton of cigarettes.



I would certainly ask the Minister of Finance to reconsider this particular section, Section 4 and Section 6 there in the bill and to make sure to take a second look at it and make an amendment to it because I do not think there is any logical reasoning behind this fact. The tourist trade in this Province has to be encouraged and built up so that we can get some revenue flowing in this Province. Hopefully when the revenue comes in a little greater, it will not be taken and wasted on a trip to China. Possibly if the tourist trade is increased next year some of the members or the ministers opposite might come up with an extra trip to the Orient or an extra trip down to Scotland or the United States and try to get some ideas of how to operate the Government of Newfoundland. It is beyond me why they need so many outside advise when they told the people just back last session that they were quite capable of running this Province. Now they have to go all across the country to get advice.

In conclusion, Mr. Chairman, I want to say just one other little thing. I want to say just one other thing about the tobacco tax. Some of the taxes, I think, that are collected from the tobacco tax revenue should be placed in an advertising campaign against smoking in our high schools. This is where, in the elementary and high schools, a lot of the young people today are getting out in the corridors and getting their cigarettes and smoking them. They are not made enough aware of the health hazards that are being inflicted on them. They are not concerned about the cost. They are not concerned about the high tax. Their only concern is to can get a pack of

cigarettes and smoke them. So what I would say, Mr. Chairman, to the hon. minister is that some of the taxes they have been collecting be put to the use to prevent through advertising or make the children of our high schools more aware of the health hazard of cigarettes and smoking.

Mr. Chairman, in conclusion, I ask the Minister of Finance to take into consideration the ill effect it is going to have on tourists and the effect it is having on our children in our high schools.

MR. K. AYLWARD:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the member for Stephenville.

MR. K. AYLWARD:

Thank you, Mr. Chairman. A few short words on this bill. I express my opposition again to it especially in respect to the over-regulation that we have now in the tax system. This is just another thing that is going to be a detriment, as my colleague from Port de Grave pointed out, to the tourism industry. People coming in here now have enough hassles and face enough high prices. Now they are going to be facing another procedure to go through when they come in here. I just do not think it is good for Newfoundland or promotes Newfoundland in the right manner. So I concur with my colleague on that.

To get to the thing of regulations in taxes: A lot of small business people in this Province who are trying to get this economy going are having a great number of problems trying to do that because of the taxes and the tax structure

that we have. I have talked to many of them and they feel they are being strangled all the time and strangled even further now, especially out in the rural ridings.

There are so many different taxes, there are so many different regulations, they cannot even keep up with them. It is making it very tough for them to follow what is going on. Sometimes they do not even know if they are breaking the law.

So I would like to advise the Minister of Finance that when he is bringing in these tax bills to change regulations or how they tax and what types of procedures they are going to use so that they look at simplifying the regulations for small business people in the Province who are trying to get the economy going and having a great problem with that.

In my conversations that I have had with them they have suggested two or three very good options and I would like to see the provincial government take those types of suggestions from these small business people and modify the taxes so that they can understand what is going on. This thing here seems like just a hog wash of regulations for people. I do not think it is going to be effective. We have already seen two or three examples of how it is going to be more confusing than anything else, so I would like to see - and I am going to vote against this thing because it just does not make a whole lot of sense. I would like to ask the Minister of Finance to probably take it and look it over again.

I find it surprising to see that we almost have to tighten up every

regulation in our tax acts so that we can collect every single copper that we can squeeze. I do not think that we would need to do that as much as we are doing now if the federal government was co-operating in the right manner and giving us the proper transfer payments which we are entitled to. If they were doing that, I do not think we would see the Finance Minister coming in and bringing a tobacco tax amendment that would see the squeezing and inconvenience going to the people of Newfoundland and also to the people coming to Newfoundland.

I feel that the cutbacks by the federal government, which are going to be wicked on this Province over the next three or four years, will mean we are probably going to see a lot more different amendments to the tax act as they try to squeeze every penny out of people in this Province, and it is to the detriment of the people in this Province. Like I said the small business people who are trying to get the economy going are faced with over-regulation and high taxes and paper work and paper work and paper work which they have to fill out.

AN HON. MEMBER:

(Inaudible).

MR. K. AYLWARD:

Well, from the options they are looking at now it looks like taxes are going to go up. I cannot see how they are going to do that but they are going to try.

The squeezing of money from people and in situations where it is probably going to be to the detriment of this Province, I think it is time to stop and take a second look and maybe have more

consultations and get more co-operation from the federal government so we would not have to do that. I think it is time that this co-operation word come into being and that the definition be properly applied. I think the Minister of Finance (Dr. Collins) should probably have more discussions with his federal counterpart, see if he can get proper funding to run this Province or to help run this Province, to be able to do a better job with it because right now this tobacco tax amendment or act is just foolishness. You are going to have people coming in here who are going to say to themselves, "Newfoundland used to be a nice place to visit but if you are going to have to fill out forms every time you come across the water. You will probably have to fill out a book pretty soon when you hit the border there, when you are coming off the wharf, you know, fill out a book of regulations. Sign your name to this, sign your name to that."

MR. FUREY:

Your vacation is over then.

MR. K. AYLWARD:

Yes, it will take about a week. I would just like to advise them that we should probably look at simplifying things instead of adding more bureaucracy to these regulations. I hope that he would heed these good recommendations that I have made in my short spiel this morning.

Thank you very much.

MR. TULK:

Mr. Chairman.

MR. CHAIRMAN (Hickey):

The hon. the member for Fogo.

MR. TULK:

I think our people have said what they want to, and most people who wanted to speak on this bill have spoken, so if the Minister of Finance wants to clue it up, then he can.

DR. COLLINS:

Just a quick word. There has been a fair bit of sentiment expressed that we have to try to not prevent the tourist trade. I can tell members of the Committee that that is something we are very conscious of. I am sure members will remember that we did bring in something in regard to bus tours; we are also looking at other measures in regard to helping out the tourist trade. Now, it is sort of a balancing act. Let us be blunt about it: We like tourists coming in here because they buy things in the Province. There is no point in having tourists come in here and not leaving anything behind, so we have to balance it out, how much do we give the tourists to encourage them to come here but, nevertheless, how much do we leave there so that our small shop owners and indeed the provincial government will get some value from their coming here. So we are trying to make sure we are not too inhibitory towards the tourist. We are making whatever changes we can, but we will never reach the stage where tourists can come in and get a free ride, obviously.

I understand there will be some votes against this bill but, nevertheless, I accept and appreciate the positive comments that have been made on both sides.

On motion, resolution carried.

On motion, Clauses (1) through (40), carried.

DR. COLLINS:  
Mr. Chairman.

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

DR. COLLINS:  
Mr. Chairman, in regard to the next clause, it has already been explained and accepted in Committee. Clause (41) will now read, with those words: "Which books and records shall be returned forthwith after copies are made" and before that will be substituted, "And the copies will be returned forthwith to the person from whom the books and records were taken." While I am on my feet the other two minor amendments: In Clause (1) and in Clause (79), "1985" was changed to "1986".

On motion, Clause (41) as amended, carried.

On motion, Clauses (42) through (78), carried.

On motion, Clause (79) as amended, carried.

On motion, Clause (80), carried.

Motion, that the Committee reports having passed a resolution and recommends that a bill be introduced to give effect to the same, carried.

DR. COLLINS:  
Mr. Chairman, I move that the Committee rise, report progress and ask leave to sit again.

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

MR. SPEAKER (McNicholas):  
Order, please!

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

MR. HICKEY:  
Mr. Speaker, the Committee of the Whole has considered the matters to it referred and has directed me to report that it has adopted a certain resolution, recommends that a bill be introduced to give effect to the same, and asks leave to sit again.

On motion, report received and adopted.

On motion, resolution read a first and second time.

On motion, a bill, "An Act Respecting The Tax On Users Of Tobacco", read a first, second and third time, ordered passed and its title be as on the Order Paper. (Bill No. 50).

DR. COLLINS:  
Mr. Speaker, I move that the House at its rising do adjourn until tomorrow, Monday, at 3:00 P.M., and that this House do now adjourn.

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