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(Hansard)

Speaker: Honourable Patrick McNicholas

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The House met at 3:00 p.m.

MR. SPEAKER (McNicholas):
Order, please!

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

MR. SPEAKER:
The hon. the member for Port de Grave, a point of order.

MR. EFFORD:
Mr. Speaker, on March 24, while standing in my place debating in the House of Assembly, I made reference to the fact that we have a job to do as elected people of this Province and a member of the House of Assembly remarked, "You were elected by the scum of the earth." I then asked, "What did the hon. gentleman for St. John's North (Mr. J. Carter) say?" He repeated, "You were elected by the scum of the earth." Several points of order followed, Mr. Speaker, and the Chairman said, "To that point of order, the Chair has already ruled that I did not hear it. I will check Hansard and make a ruling on it tomorrow." The Chairman at the time was the member for Humber West (Mr. Baird).

To date, Mr. Speaker, absolutely no ruling has been made on this. I have heard all sorts of remarks thrown back and forth from one side of the House to the other, some of them are very degrading, but I think the remark made by the member for St. John's North is very degrading to the people of the Port de Grave district and, in fact, to all people of this Province, so much so, Mr. Speaker, that it has been called to the attention of all the mayors of my district and all the people of the district by headlines in the local paper and they are asking for an apology.

MR. PEACH:
Not all of them, just the few who are with you.

MR. EFFORD:
You see, Mr. Speaker. This is exactly what I am talking about.

Now, Mr. Speaker, this is not something that anybody is proud to talk about or proud to make a point of, but it is a very serious situation. So I would ask Mr. Speaker if he would indicate to me when a ruling will be made on this, it was said on March 24 and is carried in Hansard. As I have said, a ruling was promised, and that is also in Hansard. Thank you.

MR. MARSHALL:
To that point of order, Mr. Speaker.

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

MR. MARSHALL:
Some of these points of order and points of privilege are really getting consummately ridiculous, Mr. Speaker. If he wants to go back, is it March 24 this year or is it next year or the year before that? Perhaps we can go back to the beginning of time.

Mr. Speaker, if you bring up a point of privilege, it has to be brought up at the earliest possible opportunity. If my memory serves me correct, I believe Your Honour dealt with whatever point of privilege was raised at the time in relation to it.

MR. TULK:
Mr. Speaker.

MR. SPEAKER:

The hon. the member for Fogo.

MR. TULK:

My friend for Port de Grave (Mr. Efford) is not questioning the Chair in any way, shape, or form. What he is referring to, and Your Honour was not in the Chair, it was the member for Humber West (Mr. Baird), is the fact that there were a number of us who spoke on the point of order, 'I ask the member for St. John's North (Mr. J. Carter) to withdraw', and the member for Humber West made the statement, 'To that point of order, the Chair has already ruled that I did not hear it. I will check Hansard and making a ruling on it tomorrow.' All my friend for Port de Grave is saying is that it must have slipped somebody's mind, that there has been no ruling made on it, and he is asking Your Honour if he could inform him as to when a ruling will be made on it? That is the whole point of the point of order.

MR. SPEAKER:

I will take that under advisement. I will check into it and I will have something further to say about it after I check with the Chairman to see just exactly what it is about.

MR. BARRY:

Mr. Speaker, I would like to rise on a point of order.

MR. SPEAKER:

The hon. the Leader of the Opposition, on a point of order.

MR. BARRY:

With respect to the Estimates Committees, last evening, in the House of Assembly, we had a meeting of the Resource Policy Committee, listening to the Minister of Mines, who is

responsible for Housing (Mr. Dinn). There was a good turnout from both sides of the House, but there was absolutely nobody there from the press. We understand this is not the fault of the press gallery, it is the responsibility of management to set out news assignments for the various reporters of the various media. I would say, however, Mr. Speaker, that it is not possible for the process to work unless there is some communication to the public of the Province of what is taking place in the House of Assembly, whether it be in Committee or whether it be during the daily sitting.

As Your Honour knows, there had been some discussion before the doors opened and there are certain steps that will be taken that I will not go into, and these will be dealt with later. But I do want to go on record as expressing grave concern as to whether or not the Estimates Committee process can be effective, the way things have started all ready, the first day and we had nobody sitting from the press for the evening sitting. I do not know if it is a problem in terms of overtime, or whatever, in having press assigned in the evening, because we had reasonably good coverage of the morning sittings of two different Committee meetings. But I want to go on record that right from day one the system has started to break down, and we will be raising further on this matter as events unfold.

PREMIER PECKFORD:

To that point of order, Mr. Speaker.

MR. SPEAKER (McNicholas):

To that point of order, the hon. the Premier.

PREMIER PECKFORD:

I appreciate the remarks of the Leader of the Opposition (Mr. Barry). We are, as legislators, all deeply concerned about what happened last night, as has happened in other years relative to this. I am deeply disturbed by it. As the Leader of the Opposition pointed out, before we admitted strangers to the Legislature this afternoon it was discussed by members of the House and various steps will be taken post haste on the matter. I, as one member of the Legislature, Mr. Speaker, have to go on record as being more than disturbed by it, because I find that if I blink my eye the wrong way at one minute after two on a Saturday or Sunday, whatever time it happens to be, night or day, there is no trouble to see press around showing whether I winked the right way or not. I will sit down before I get too mad about it. In the same vein, they will pitch out over at the Department of Labour Building night and day to make sure that another piece of negativism gets on the news, and there is no talk about hours when it comes to that. I just do not understand it, and we are going to have to take some action on it.

MR. SPEAKER:

To that point of order, I must rule there is no point of order. The hon. the Leader of the Opposition and the hon. the Premier took the opportunity of expressing certain views.

Oral Questions

MR. FLIGHT:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the member for Windsor-Buchans.

MR. FLIGHT:

Thank you, Mr. Speaker. My question is for the President of Treasury Board (Mr. Windsor). In view of the statements being made by Mr. Fraser March, the President of NAPE, statements such as, "We are going to have to send Windsor to negotiating school. It would be a shame if Mr. Windsor sabotages this settlement," does he not feel that his presence and his public comments, and his comments to the union, for that matter, in these negotiations, are jeopardizing the government's negotiating committee's ability to reach a settlement in this dispute?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. WINDSOR:

Mr. Speaker, as much as the hon. gentleman may be tempted to, I am certainly not going to lower my level to the level of Mr. March and some of the comments that he has made publicly. I assure the hon. gentleman, and the hon. members of the House, that government has acted extremely reasonably and responsibly, with incredible integrity and tolerance in this situation, and we are doing everything possible to reach a settlement. If we had anybody who was willing to sit at the negotiating table and negotiate with us, then we might have some possibilities.

SOME HON. MEMBERS:

Hear, hear!

MR. POWER:

Mr. Speaker, a supplementary.

MR. SPEAKER:

A supplementary, the hon. the member for Windsor-Buchans.

MR. FLIGHT:

Mr. Speaker, in fairness, Mr. March's statement was made as a result of statements made by the minister. Mr. March has made statements like, "He has political ambition in the PC Party. He is in a political tug-of-war with Mr. Peckford." Now I ask the minister, out of what I believe is a genuine desire on his part to reach a settlement in this dispute, out of his own desire to have peace in the labour sector of the public service, does he not believe it would be in the better interests of the Province to take himself out of the negotiations? He seems to be the stumbling block a settlement, so should he not, in the better interests of the Province, of labour peace, of a settlement, take himself out and recognize the fact that he is the stumbling block?

MR. SPEAKER:

The hon. the President of Treasury Board.

PREMIER PECKFORD:

They were asking for him yesterday.

MR. WINDSOR:

Mr. Speaker, what a foolish question, as the Premier points out. Yesterday he wanted to meet with me again, you know. I had to step in once, together with the Minister of Labour (Mr. Blanchard) and try to get them back to the bargaining table, and I am not sure whether that was after the second, third or fourth time that they ran away from the bargaining table, and we did manage to get a back-to-work agreement which got their bargaining team back to the bargaining table with our bargaining team. They are

threatening to walk away again, but our team is there, always has been there, is still there and will remain there as long as there is a possibility of reaching a settlement. These people have to be serious about this and if they would put an offer on the table, come forward with an offer in any way reasonable, in any way showed an interest in getting an agreement, then perhaps there would be a possibility of negotiating something.

MR. FLIGHT:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Windsor-Buchans.

MR. FLIGHT:

Mr. Speaker, can the minister indicate, then, to the House of Assembly, to this House, why it is that a labour leader like Mr. March would take the unusual step to make the public statement that he has made? Why? Here is the minister's chance to tell Newfoundland and the 12,000 members of NAPE why Mr. March is uttering such unfavourable and unbelievable statements.

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. WINDSOR:

Mr. Speaker, if the hon. gentleman cannot see through the statements of Mr. March and what he is trying to do, then I am certainly not going to try to explain it for him here. I suggest that he address that question to Mr. March and ask him why indeed he is making these statements, what is his purpose for that, what are his ultimate goals, and I expect he would find something different than he is

trying to suggest.

MR. FLIGHT:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

The hon. member for Windsor-Buchans.

MR. FLIGHT:

I gave the minister a chance to tell this House of Assembly what his perception of the President's ultimate goals are. Everybody was under the impression that the negotiations were under a news blackout and the minister appeared to break that news blackout when the minister made the first statements. Would the minister explain his statements in view of the fact that the news blackout was in place?

MR. SPEAKER:

The hon. President of Treasury Board.

MR. WINDSOR:

Mr. Speaker, these negotiations were indeed under a news blackout as agreed by both sides last week. But I was sitting home on Saturday evening, I heard statements made by the union. I saw a position that government put on the table last Saturday being put forward publicly by the union and debated. So obviously yesterday we had to do likewise, after the union put their position forward, to explain to the people of this Province exactly what it is we are faced with here at the bargaining table.

MR. FLIGHT:

What has the union got against the minister?

MR. TULK:

Mr. Speaker.

MR. SPEAKER:

The hon. member for Fogo.

MR. TULK:

I have a question for the Minister of Labour. It concerns the same subject that was brought up by my friend for Windsor-Buchans. I would ask the Minister of Labour, as the person responsible for labour relations in the Province, does he agree with the President of Treasury Board that the latest position of NAPE is totally unreasonable?

MR. SPEAKER:

The hon. Minister of Labour.

MR. BLANCHARD:

Mr. Speaker, I think my colleague, the President of Treasury Board, has articulated what the situation is: There is no proposal. NAPE has been telling the people at the bargaining table, making some pronouncements about where they may be able to go, but it is not for me to say at this moment what is reasonable or unreasonable that has not yet been put down on paper. Government has a position on paper but we have nothing in response to that.

MR. TULK:

Mr. Speaker.

MR. SPEAKER:

The hon. member for Fogo.

MR. TULK:

I ask the minister, as a supplementary, if there is no position, how is it that the President of Treasury Board can say it is unreasonable? That seems to be a contradiction to me. Would the minister indicate whether the statement by Mr. March -

PREMIER PECKFORD:

Thirty-five per cent in one year.

MR. SPEAKER:
Order, please!

MR. TULK:
Mr. Speaker, if the Premier can restrain himself I will ask my question.

PREMIER PECKFORD:
It is very difficult when you are standing.

MR. TULK:
I know the Premier finds it difficult when I am standing, but I will stand in this House when I want I inform the hon. gentleman right now.

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

MR. TULK:
Would the Minister of Labour indicate whether the statement by Mr. March, that the latest government offer does not live up to an April 6 agreement that ended the month-long walkout, is correct?

MR. BLANCHARD:
No, Mr. Speaker. There has been no violation of the agreement as far as I am concerned. It is a matter of interpretation. There is a proposal on the table from government which achieves parity over the life of a collective agreement. Now it has been stated on several occasions that that was a proposal that is negotiable, but there has been no negotiations on that proposal.

MR. TULK:
Mr. Speaker.

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

MR. TULK:
A supplementary, Mr. Speaker. Let me say to the hon. gentleman that the Premier must be going to have a long term of office if his indications are correct on television that we are going to have parity during his term of office, by 1990.

MR. BARRY:
You had better give them parity in two years.

MR. TULK:
Yes, because somebody will bring him down.

MR. SPEAKER:
Order please!

MR. TULK:
Mr. Speaker, does the minister feel that the negotiations are being endangered by the political tug-of-war that is obviously going on between the Premier and the President of Treasury Board, where the Premier has hung out the President of Treasury Board to dry because he has aspirations to his job? Does he agree to that?

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

MR. BLANCHARD:
Mr. Speaker, I am not sure the question is really an intelligent one at this point in time.

SOME HON. MEMBERS:
Hear, hear!

MR. BLANCHARD:
It depends who you listen to, Mr. Speaker, who makes the first remarks and who goes public first. I would suggest you look and find out who made the first public statement.

MR. FLIGHT:

The minister.

MR. TULK:

A supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. TULK:

My purpose for asking the minister the question, of course I know he would not understand it -

SOME HON. MEMBERS:

Oh, oh!

MR. TULK:

Mr. Speaker, keep them down.

MR. SPEAKER:

Order, please!

The hon. member for Fogo has asked on a number of occasions for silence. I would ask hon. members to comply.

MR. TULK:

Mr. Speaker, my purpose in asking the Minister of Labour that question was to ask him, as a person who has the reputation in labour relations in this Province, to try to talk some sense into the two hon. gentlemen.

Let me ask him another question. The Premier and the President of Treasury Board are doing exactly what they said in this House they did not want to do and that was negotiate in public. I ask the minister if he could explain to us why this process is going on, why the minister and the Premier are making statements in public, confrontational statements to the media when in fact they say they have a news blackout and that they want to carry this on in private? Why is that happening? Is it something to inflame the situation

so that the workers of this Province end up on strike again?

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

The hon. the Minister of Labour.

MR. BLANCHARD:

Well, you know, Mr. Speaker, the hon. gentlemen, several of them from the other side of the House, were asking where the Premier was in all of this when the strike was going on. He kept silent. He would not say anything. Then the Premier got on television, explained the position and now they are saying over there, 'Why is the Premier making statements? Why is the President of Treasury Board making statements?' Now, what do you want? Do you want to know about it or do you not?

SOME HON. MEMBERS:

Hear, hear!

MR. CALLAN:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bellevue.

MR. CALLAN:

Thank you, Mr. Speaker. Mr. Speaker, I have a question for the Minister of Transportation (Mr. Dawe) pertaining to the Newfoundland railway, the future thereof or what have we. Our federal minister in Ottawa, Mr. Speaker, the hon. John Crosbie, has been indicating in recent days that there is a proposal before this government with regards to the future of the railway in this Province. Now, our Minister of Transportation says that he is waiting to receive a proposal from

the federal government, perhaps within the next couple of weeks. Would the minister indicate clearly and categorically is there a proposal before this government, before the minister's department or not with regard to the future of the railway in this Province?

MR. SPEAKER:

The hon. the Minister of Transportation.

MR. DAWE:

No, Mr. Speaker, there is no proposal before the government dealing with the railway.

MR. CALLAN:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Bellevue.

MR. CALLAN:

Let me ask the minister then, Mr. Speaker, where does this government stand? What is the stance of this government? Is the stance changing? The Premier is on record as saying that the future of the railway is a question that is not to be asked. Of course, Mr. Speaker, we all know that as part of the Terms of Union with Canada the railway was like Term 29, not to be tampered with. Let me ask the Minister of Transportation what is the government's position on the future of the railway in this Province?

MR. SPEAKER:

The hon. the Minister of Transportation.

MR. DAWE:

Mr. Speaker, on a number of occasions, on at least fifty or sixty times in the past couple of months and many, many times prior

to that, the position of this particular administration has been very clear as it relates to the railway, and it remains so. Yesterday, Mr. Speaker, and I read from Hansard, when the member for Bonavista North (Mr. Lush) asked a question, the Premier began by saying, 'I do not know where the member for Bonavista North or members of his party have been over the last number of months.' Then he went on to explain very concisely, as we have done in the past, the position of the Province with regard to the railway and the future of the railway and how the Province wants that future to continue. Mr. Speaker, we know where the member has been for the past little while, and I guess that is fair that he missed yesterday's Question Period, but I would refer him to Hansard where the Premier, again, outlined exactly what the Province's position has been and continues to be with regard to the Newfoundland railway.

MR. CALLAN:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. CALLAN:

Mr. Speaker, we have heard rumblings, and it seems to me that Mr. Crosbie has not been leaning in the direction or in favour of this Province over recent months, he seems to be favouring his colleagues in Ottawa. Let me ask the minister, in any discussions regarding the future of the railway in this Province, has the minister taken into account the likelihood that with the railway gone that the ERCO phosphorus plant at Long Harbour may very well have to close if there is no

railway to transport the phosphorus to the mainland of this country? How does that figure into the negotiations?

MR. SPEAKER:

The hon. the Minister of Transportation.

MR. DAWE:

Mr. Speaker, again doom and gloom from the Opposition, as is their wont. Mr. Speaker, as former Minister of Mines and Energy, and as Minister of Transportation I have had a number of meetings with the officials of ERCO in Long Harbour. The discussions have centered around the necessity for that particular operation to change the method by which it transports phosphorus, because a number of years ago - six years ago, I believe, to be exact - when containerization started to be brought in and the railway was destined to ultimately change from the boxcar system, the system that ERCO was then using, there was a necessity for ERCO to change the kind of container that they used to transport phosphorus. Now, Mr. Speaker, this has been an ongoing dialogue between Transport Canada, between CN, with whom the original contract with ERCO for the transportation of their products by rail was negotiated, and now TerraTransport. We have been asked to attend a number of those meetings to discuss and to assist that particular project in its discussions about looking forward to changing their containers from the ones used on flat cars to the ones used in a container form. That dialogue has been going on and they have had assurances from the federal government, Mr. Speaker, in consultation with the provinces that the necessary financial assistance, caused by the hardship of changing from

containers used on the flat cars and the boxcar system to containerization, will be forthcoming from the federal government to deal with that. As a matter of fact, Mr. Speaker, Transport Canada has been testing containers in co-operation with ERCO to make sure that that system is put in place, and put in place to coincide with the removal of the boxcars from the Gulf service over the next six months to twelve months.

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

A question to the Minister of Transportation, Mr. Speaker. Mr. Speaker, the minister has indicated that his department, or the government, are waiting for a proposal. Mr. Crosbie says there is a proposal. Is the Newfoundland Government in the state of mind where it is now considering a financial exchange for a constitutional right? Are the minister and his colleagues now willing to sell a constitutional right without receiving a constitutional right in exchange?

MR. SPEAKER:

The hon. the Minister of Transportation.

MR. DAWE:

Mr. Speaker, I do not know where the hon. member for Bonavista North (Mr. Lush) is coming from. He asked similar questions yesterday. He has been trying, both publicly and in this Legislature, to somehow twist words that have been said, use

comments from one particular individual against supposed comments from another individual and somehow come up with a question on it. The question that he asked is purely hypothetical, Mr. Speaker, and, as such, will not be dealt with by me.

MR. LUSH:
Mr. Speaker.

MR. SPEAKER:
The hon. the member for Bonavista North.

MR. LUSH:
A supplementary question: Mr. Speaker, am I right in saying that there was no public reaction from the provincial government to the Nielsen report? Am I right in saying that there was no reaction to the clear comments made by Mr. Crosbie? How much confidence can we place in this government in protecting the rights of the people of Newfoundland and Labrador, a government that in the past so adamantly stood up for the rights of Newfoundlanders? Was this just a lot of political rhetoric, a lot of political posturing?

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

MR. DAWE:
Mr. Speaker, I just have to reiterate what the Premier said yesterday: Where has the member for Bonavista North been? Does he not read newspapers, does he not listen to the radio? A comment from this government was made the very next day with regard to the Nielsen Task Force report. It outlined the procedure that we would be following as an administration in dealing with items suggested in that Task Force

report that would affect this Province. There are mechanisms in place. The Nielsen Task Force report is no different in its context than the Sullivan Commission reports we have had in the past as it relates to transportation, or a number of other things that have looked at the way things are carried on in this country, suggesting possible alternatives to the way that those particular things are done.

They may change or they may not. It is a suggestion that has been put before the various governments, before the various agencies for discussion. Out of that discussion there will come policy direction on behalf of the federal government as it relates to a number of issues, including transportation. We will be fully involved, Mr. Speaker, in those consultations and in those discussions as they relate to items that affect this Province, and that has been indicated publicly, Mr. Speaker, - the member for Bonavista North does not read - that has been enunciated and has been stated. We will do everything that we can, and certainly will object very strongly to anything that would look like it would be formed into a policy decision that would negatively impact upon this Province.

MR. LUSH:
Mr. Speaker.

MR. SPEAKER:
A final supplementary, the hon. the member for Bonavista North.

MR. LUSH:
The minister is not coming clean. He is saying there are discussions and they will make their position known after that. Can the

minister not tell the people of this Province, can the minister not tell this House what is his and the government's unequivocal and irrevocable stand with respect to the Newfoundland Railway? Can he do that?

MR. SPEAKER:

The hon. the Minister of Transportation.

MR. DAWE:

Mr. Speaker, if you happened to suggest on this particular side of the House that you had a firm position, that you had a firm stand on an issue, the screams from the other side would be, There it is, the arrogant, inflexible attitude of the members on the government side. No opportunity to negotiate. Just blindly go ahead, set an opinion and stick with it! No arguments, no discussions anywhere! Mr. Speaker, this administration over the past number of years has made many positive changes to the direction this Province has gone in with regard to legislation, with regard to a resource developments in forestry, in mining, in hydro. We have done a number of things, Mr. Speaker, which have shown a positive direction, a necessity to change if it was in the best interest of this Province, and we will not, Mr. Speaker, lock ourselves into a position that will not be changed no matter if hell cracks. We were going to be a responsible administration and if there is an issue that comes forward in any area, Mr. Speaker, that is in the best interest of this Province then we will deal with it. If that requires change, then by all means we will change.

MR. FUREY:

Mr. Speaker.

MR. SPEAKER:

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

MR. FUREY:

Mr. Speaker, we hear the minister say a lot of words but we cannot seem to get an answer on this side. I have a very specific and direct question for the minister and it is very simply this: Are the Terms of Union signed in 1949 negotiable?

MR. SPEAKER:

The hon. the Minister of Transportation.

MR. DAWE:

Mr. Speaker, from time to time we have seen in this Legislature, on both sides, various issues that have come forward as a result of the signing of the Terms of Union that have not necessarily been palatable in the present context. We have seen things with regard to the fishery; an inability, because of the lack of jurisdiction of this Province, to administer the single greatest industry, the mainstay of this Province, the fishery, we have seen that as a problem associated with the signing of the 1949 Terms of Union. We have seen other things that have been very positive, Mr. Speaker. There have been times when all of us on a particular issue, in particular circumstances, have seen a necessity to change.

In 1949, obviously, with good intentions, an agreement was signed by Newfoundland and Canada. Obviously, times change and there may in fact in the future be some changes necessary that we can make to the Terms of Union. But the Terms of Union, Mr. Speaker, are a very valuable part of the Constitution of Canada

and it would be with only grave seriousness that we would look at any changes in it, although from time to time all of us have seen the necessity to perhaps make some alterations or do some things in hindsight that could have been changed in 1949. So our position, Mr. Speaker, as I stated earlier, with regard to anything is that as time goes on if some things are in our better interests, or if the Province is better served by a change of direction, then this administration, I am sure, Mr. Speaker, will make a decision that is in the best interest of all Newfoundlanders and Labradorians.

MR. BARRY:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, I would like to ask the minister whether he would confirm that the administration, of which he is a part, does not have the political courage to face up to taking a stand on the railway? Is this why they are leaking to the press, through so-called senior anonymous officials, the real position of the administration, which is that they are prepared to trade off the railway and trade off our Constitutional right to the railway, but they do not have the political courage to come out and say that? Is that the case?

MR. SPEAKER:

The hon. the Minister of Transportation.

MR. DAWE:

Mr. Speaker, again, the position of this administration has been, is today, and as far as I know

there is nothing new come to me today that would change that, and will be tomorrow very, very definite as it relates to the railway.

MR. BAKER:

Very definite! Answer the question.

MR. BUTT:

Get rid of those turkeys, Wino, and fly with the eagles.

MR. SPEAKER:

Order, please!

The hon. the minister is getting away from the answer.

MR. DAWE:

The Leader of the NDP party at least has consistent policies. Members opposite waffle from day to day. Had they been as supportive as a party as this administration has in dealing with the railway, they would not be in the trouble they are in today.

MR. EFFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Port de Grave.

MR. EFFORD:

Mr. Speaker, my question is to the Minister of Consumer Affairs and Communications (Mr. Russell). Over recent months the price of gasoline and the price of oil on the world market has been going down and the minister has indicated and said very emphatically that the price to the consumer is going down, and has gone down some ten or eleven cents per gallon. I would ask the Minister of Consumer Affairs if all the consumers in the Province are receiving the decrease in the

price of gasoline and diesel fuel?

MR. SPEAKER:

The hon. the Minister of Consumer Affairs and Communications.

MR. RUSSELL:

Well, Mr. Speaker, the question pertaining to the decline in the price of world crude oil as it relates to benefits going to the consumers is basically a topic that is on the Private Member's resolution today, and I will be having more to say about it then. As far as I know, except for Labrador, and for obvious reasons in Labrador, the consumers of this Province are getting the benefit in the reduction of crude oil.

MR. EFFORD:

A supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. EFFORD:

It seems to me, Mr. Speaker, every time you ask the Minister of Consumer Affairs a question, he has to check into it, or he does not know. Let me ask the minister this: The consumers of this Province who are buying bulk gasoline and diesel oil, say one thousand gallons or whatever at a time, and the fishermen of this Province, is he aware that they are paying the same price for fuel and gasoline as they were paying last year?

MR. SPEAKER:

The hon. the Minister of Consumer Affairs.

MR. RUSSELL:

No, Mr. Speaker, I am not aware of that.

MR. EFFORD:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. EFFORD:

Would the Minister of Corporate Affairs, because obviously he is not the Minister of Consumer Affairs, give this House some indication or some satisfaction and state that he will immediately and seriously look into why all the consumers of this Province are not receiving the decrease in gasoline prices, and come back and report to this House at a later date?

MR. SPEAKER:

The hon. the Minister of Consumer Affairs.

MR. RUSSELL:

Mr. Speaker, if I were no more serious about the consumers of this Province than the member for Port de Grave, I would resign immediately.

MR. EFFORD:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

That was a final supplementary.

MR. W. CARTER:

Mr. Speaker, a final supplementary?

MR. SPEAKER:

The hon. the member for Twillingate.

MR. W. CARTER:

Mr. Speaker, my supplementary is to the same minister.

MR. SPEAKER:

That was a final supplementary on that particular question.

MR. W. CARTER:

Well may I ask a new question, Mr. Speaker?

MR. SPEAKER:
All right.

MR. W. CARTER:
Some time ago, Mr. Speaker, the minister undertook to have an investigation carried out as to why there is a differential in the cost of heating oil in Halifax as opposed to St. John's. I understand that he has made a report on his findings to the effect that the extra cost, that of about twenty cents a gallon, can be attributed to the cost of transportation and the cost of storage. Is the minister satisfied, Mr. Speaker, that it does in fact cost that much? Is that spread justified? Is he satisfied that the cost of transportation and storage does in fact amount to the obvious differential in the price of oil here as opposed to Halifax?

MR. SPEAKER:
The hon. the Minister of Consumer Affairs.

MR. RUSSELL:
Mr. Speaker, I have some other figures that I will introduce later on today in the debate. It is not as easy to get a handle on as the hon. members opposite might think. There are factors other than the two that the hon. member mentioned attributing to the variance, if you will, in the price of home heating oil. There still is a considerable variance.

The variance has decreased a little bit, not very much I must admit. I suppose there are certain factors that contribute to this, and I have answers that were given to me by the oil companies. I know the hon. member is going to

say, 'Well, do you believe all they tell you?' Not necessarily, Mr. Speaker, but it is kind of difficult to get a handle on it as to whether or not, as I was asked on T.V., we are being ripped off. I would like to think, as I said then, that we are not being ripped off. But we will continue to monitor it and, as I said, I will have other information later on in the debate today.

MR. W. CARTER:
A supplementary, Mr. Speaker.

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

MR. W. CARTER:
Thank you, Mr. Speaker. I was wondering, Mr. Speaker, in view of the fact that this variance or differential is considerable, is the minister now saying that all he is prepared to do is monitor the situation? Is he not prepared to explore ways of taking some action to correct that measure?

MR. SPEAKER:
The hon. the Minister of Consumer Affairs.

MR. RUSSELL:
Mr. Speaker, I am prepared to take whatever action I can in line with the regulations and the jurisdiction that I have in this matter, to find out whatever I can and the reasons for the variance in costs of home heating fuel and gasoline and electricity and any other matters that pertain to the protection of the consumer.

MR. FENWICK:
A supplementary, Mr. Speaker.

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

MR. FENWICK:

Thank you very much, Mr. Speaker. My question has to do with gasoline prices as well, but it is directed to the Minister of Finance (Dr. Collins). According to the question answered yesterday by the Minister of Consumer Affairs, who said, "I do understand that the price per liter for gasoline at the pumps has gone down approximately eight to ten cents," if the price of gasoline has gone down eight to ten cents, what would that work out to in reduction in our gasoline tax itself?

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, our tax level on gasoline is 22 per cent of a base price. Now the base price is determined by carrying out at intervals surveys at a number of service stations in Newfoundland, perhaps something in the order of fifteen or twenty service stations. The selling price is determined at those service stations. Our tax is taken off and then the residual amount is averaged out. That gives us then our average base price. We then put 22 per cent as our tax levy on that base price. So if the base price went down, say, by eight cents - well it has - 22 per cent of that is approximately one quarter, about two cents.

MR. FENWICK:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Menihek.

MR. FENWICK:

If that is the case, Mr. Speaker, as I recall the only cut we have

had in our gasoline tax at this point has been considerably less than a cent, something like point 0.8 or 0.9 of a cent. Is that the actual amount it was cut last month, something in that range? Does that mean, then, that we are not making an extra amount on tax of about one to 1.25 cents on all the consumers in the Province at this moment because our tax is actually higher than is warranted by the price of gasoline?

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, the tax levy - not the rate, because the rate is fixed, an ad valorem rate was changed as of the first of April, but the survey was done as of March 23, I think it was, roughly a week beforehand, so it was correct at that stage. Now we cannot do a survey every day of the week. We usually do it on a quarterly basis, but where prices are fluctuating we do it more frequently than that and, in recent times, we have been doing it more or less on a monthly basis. So I imagine we will do another survey towards the end of this month.

MR. FENWICK:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

There is time for a short, final supplementary.

MR. FENWICK:

My final supplementary is this, since I find it very suspicious that over this time period we have seen an eight to ten cent drop according to the minister, and only a 0.8 or 0.9 of a cent decrease in the tax when it should be around two, could the minister

table the names of the gasoline stations and the kinds of grades of gases that are actually checked so that we can actually go and check the prices ourselves and find out if we are charging too much?

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, I do not think I would have any problem with that but I would really like to take it under advisement. I mean, these are technical matters. For all I know it may be that service stations have an arrangement with us that they will send us information but we will keep it more or less confidential. I really do not know that off the bat, but I will certainly look into it. There is no problem. I personally would have no hesitation in giving names because I can assure hon. members, and the hon. member in particular, that we do it on a dispassionate basis. We do not do it to get more taxes ourselves.

I should also point out when prices are going up our tax levy tends to lag because we only do surveys at intervals. So when the tax goes down we might lag the other way to our benefit. But, I mean, one offsets the other essentially.

MR. SPEAKER:

The time for Oral Questions has now elapsed.

I would like at this stage to welcome to the visitor's gallery students from St. Anne's School, Fortune Harbour, with their teacher, Joe Wiseman. I would also like to welcome Anthony Jones, Petit Forte, Chairman of

the Petit Forte Development Association, also Pastor and Mrs Carter and Mr. and Mrs Hazen Decker.

SOME HON. MEMBERS:

Hear, hear!

o o o

MR. FLIGHT:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the member for Windsor-Buchans.

MR. FLIGHT:

Mr. Speaker, I was expecting an answer to a question. I would ask the minister if he remembers that yesterday he undertook to provide this House with the results of an investigation into gas prices? I pointed out that there is at least a six or seven cents difference in the price of a gallon of gas from one community to another.

MR. SPEAKER:

Order, please!

The hon. member is out of order. We are on Answers to Questions for Which Notice has been Given.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

Orders of the Day

This is Private Members' Day, and it was agreed yesterday that the motion by the hon. member for Fortune-Hermitage (Mr. Simmons) would be introduced by some other

hon. member.

The hon. member for St. Barbe.

SOME HON. MEMBERS:

Hear, hear!

MR. FUREY:

Mr. Speaker, I wonder if I could just have a clarification before I get into this Particular resolution as presented by the member for Fortune - Hermitage. Obviously he is out of the country and he will be back next week, but I believe the House Leader said yesterday that it would be fine for the hon member for Fortune - Hermitage to close debate.

MR. SPEAKER:

That is correct.

MR. FUREY:

Mr. Speaker, this is an appropriate resolution and it certainly is a timely one. Because if we consider what has been happening to the world price of oil in the last number of months, we have to ask the question just exactly how much of these massive slashes in the world price are being passed directly to the consumer. We have asked this a number of times in the House of Assembly and the Minister of Consumer Affairs and Communications (Mr. Russell) has, in my opinion, dodged and ducked the issue in a clever kind of barrage of verbiage.

The fact of the matter is, from what I know of him, I believe the Minister of Consumer Affairs is a good, decent and honourable man. I have no doubt about that, but when I listen to some of his answers and I let my eyes flow for a second across this minister's mandate, I just have to wonder who is running the Department of

Consumer Affairs. I know the minister is a good man and I know that he would like to see consumers get the best possible break available to them from the slashed cost of world oil, but I really have to ask the question who is running that department, is it the minister, is it the Deputy Minister, is it the Assistant Deputy Minister, or is it the sixty employees who come under that umbrella? Because every single answer that we have gotten from the minister to date has been a kind of blatant expression that one would expect to come from the lips of the multinationals, from the large corporations. There certainly were not any answers there, Mr. Speaker, that any consumer in this Province could seek any comfort or any refuge under.

Mr. Speaker, let us look at some of the clauses of this timely and very important resolution which I am sure members opposite will indeed unanimously endorse. It says: "Whereas there has been in recent months a major decline in the world price of oil." Well, what has happened in recent months? Let me just refer to a note I have here. In the last three and a half months, the price of crude oil has been sliced by more than half, to \$16.70 Canadian; that is since December past. I have asked the minister time and time again if a barrel of oil has been cut by more than half, why is it the average consumer who works very hard, in some cases for very poor wages, in this Province, approaches the pump and that is not reflected right there on the meter? Why is that gasoline price not cut in half? Now, the minister could have argued in a kind of valid way some time ago that the old oil was

still in the system. Now, that would have been an interesting and logical argument three months ago, but let me quote from Joe Marahash, a spokesman for Shell Canada, Mr. Speaker: He says and I quote, 'On average, it takes about 100 days for crude oil purchased in Western Canada to reach Eastern Canadian markets as refined product.' Now, if the price of a barrel of oil was slashed by more than half three and a half months ago, over 100 days, obviously, if we can trust this Shell spokesman - and this is the multinational speaking, Mr. Speaker, not the ordinary consumer - and if it takes 100 days for that old priced oil to be flushed through the system, we are past the hundred days so there is new oil in the system and that new oil ought to represent the over half slash. In other words, it is down to sixteen dollars a barrel. The old oil is gone, the new sixteen dollar oil is in and I ask the minister again to tell us, when he rises in his place in debate, why it is that here in Newfoundland and Labrador we are not seeing that direct lateral transfer of slash at the pump and at the home heating oil tank.

Mr. Speaker, the resolution goes on to say, "AND WHEREAS the price consumers in Newfoundland and Labrador pay for gasoline, home heating fuel and electricity should be directly related to the world price of oil." I have just explained to the minister that we have seen it cut by more than half, yet, at the pumps and in the home heating oil tanks, it is not reflected there.

"AND WHEREAS these costs are a crushing burden to a great number of consumers in Newfoundland and Labrador" - and this is very

important, Mr. Minister -

MR. J. CARTER:
Try being constructive.

MR. FUREY:
- "namely those on marginal or fixed incomes, especially the senior citizens."

Now, the hon. the member for St. John's North (Mr. J. Carter), who sits there in his seat day in and day out, the putative Minister of Education, who lasted six months in the Moores Cabinet because of his Neanderthal ideas, Mr. Speaker, what an expression of evolution in reverse if ever there was one. He wanted to finance Education through Lotto 649, tell the churches to set up more bingo games. So if you want to talk constructiveness, if you have something constructive to say, rise in your place and say it or go back to your savoury farm and stop wasting the people's time. Mr. Speaker, I noted where he interjected. He interjected on this note: The costs of gas and oil are a crushing burden - here is where he interjected - 'especially to the senior citizens of Newfoundland and Labrador and those on fixed incomes.' Let me give him an example of what I mean and perhaps then he, sitting there on his very rich, savoured rear end, can get a glimpse at the reality of the consumer in this Province. Mr. Speaker, just yesterday my hon. friend from Port de Grave (Mr. Eford), who represents that district and is doing a fabulous job despite and notwithstanding the comments from the member from St. John's North about what 'scum,' Mr. Speaker, is represented by this very hon. gentleman. I mean, that is the kind of nonsense coming from the Neanderthal man. Mr. and Mrs.

Lakey would have a ball with that character.

MR. SPEAKER (Hickey):
Order, please!

The word 'scum' is unparliamentary. Whichever hon. member is using the word, either side, it is unparliamentary. That is all the Chair wishes to point out.

MR. FUREY:

Mr. Speaker, as to your clarification, you will note that those words were in inverted commas because they were uttered by the member for St. John's North. I agree, Mr. Speaker, it is unparliamentary. It is ignoble, Mr. Speaker. He would consider it ignoble. But we all know what kind of time bomb ticks between the ears of the hon. member for St. John's North.

Mr. Speaker, let me give you a concrete example, a very specific example, which really, truly - I hope the minister is listening to this -

MR. CALLAN:

If today he says he has jet lag, it is because he was up looking at Halley's comet last night.

MR. FUREY:

Mr. Speaker, could I have order?

MR. SPEAKER:

Anyone who is halfway into the Chamber should not say anything. Hon. members, even on the hon. gentleman's own side, should be silent and let the hon. member speak.

MR. FUREY:

Mr. Speaker, I was saying that I hope the minister is listening because this is very serious and,

in many ways, a very sad example, but I have to raise it in this House today to point out what I believe is one of thousands, literally thousands, of cases of people who are in the same position, where it always seems to be, Mr. Speaker, that when the price of a barrel of oil jumps, the next day it is reflected at the pumps, it is reflected at the tax department, it is reflected at the home heating oil tank. Mr. Speaker, fair is fair. These people are on fixed incomes.

The hon. member for Port de Grave had an interesting call yesterday and, in many ways, it was very heartbreaking. A gentleman called him and he told him that he and his family of four, living in Clarke's Beach, are on a fixed income. He has a very serious heart condition and, as a result, he has qualified for a Canadian Disability Pension from which he receives \$489 a month for a family of four. Now, Mr. Speaker, last month his light bill was \$326.

MR. J. CARTER:

What has the member done about it? Nothing.

MR. SPEAKER:

Order, please!

MR. FUREY:

Mr. Speaker, I have asked you to try to muzzle that hon. member. I know it is tough, Mr. Speaker. I know it is the only time he gets to make a speech. I do not know, Mr. Speaker, maybe his flight to Halley's comet has given him a brand new light on things. Has it? Is that the problem he is having? Is he star struck? In fact, I advised him, Mr. Speaker, to stay up when he went up.

MR. SPEAKER:

Order, please!

The Chair can only intervene and interject and protect the hon. member if the hon. member so requests, and provided the hon. member is not enjoying the bantering back and forth. I am not quite clear as to whether the hon. member is enjoying, or otherwise, the interjections of the hon. member for St. John's North.

MR. FUREY:

Mr. Speaker, there are times when I do enjoy the banter back and forth, but when someone is dealing with such a serious incident, I do, in all honesty, ask for your respect and for your protection from this absolute lunacy and idiocy.

MR. SPEAKER:

The hon. gentleman's wish is granted, that he be heard in silence.

MR. FUREY:

Mr. Speaker, as I was saying, this particular gentleman and his family get \$489 on a fixed income. And that is part of this resolution, Mr. Minister, that we want you to study, because I know you are a good and honourable minister and you want to try to help consumers. Somehow you have gone off the path, you are on the path of the multinationals and you are becoming just an echo chamber for the oil companies, but I know you are going to see the light and I know you are going to do something for these people on fixed incomes.

Mr. Minister, let me ask you a question. If you were on that fixed income and you only had \$163 for you, your wife and two children, how could you possibly

make it? How can you possibly make it, Mr. Speaker, with \$163 to feed a family of four for a month, and that is before we get into clothing and those kinds of human needs that all of us have come to expect through the just society because each of us deserves to live a dignified life.

Mr. Speaker, I hope the minister will address this particular and specific issue of the man or woman on a fixed income, the single parent, etc.

MR. J. CARTER:

This is nothing but a stream of poison.

MR. FUREY:

Mr. Speaker, I asked for protection, so are you going to name that member?

MR. SPEAKER:

Order, please!

The hon. member has asked for the protection of the Chair. I have to ask hon. members on both sides to grant him his wish, which is his right, to be heard in silence.

MR. FUREY:

Let me move, then, Mr. Speaker, to the resolution itself. It says, Mr. Speaker, "Be It Resolved that government commit itself to passing on, as they occur, the full benefits deriving from the decline in the world price of oil to reduce the costs of gasoline, home heating oil and electricity, etc."

Mr. Minister, I asked you on two separate occasions in this House of Assembly why we did not see the decrease reflected immediately, as we would have seen the increase reflected immediately, on the consumers' purses and wallets of

this Province and here was your answer to me.

MR. SPEAKER:

Order, please!

I am sure the hon. member would want me to remind him that he has to address the Chair. He cannot address the minister as 'Mr. Minister', he will have to speak to the Minister through the Chair.

MR. FUREY:

Mr. Speaker, I apologize. I am sorry.

Do you accept my apology, Mr. Speaker?

MR. SPEAKER:

Yes, by all means.

MR. FUREY:

I was saying, Mr. Speaker, that here is what the minister said yesterday and on another occasion. He said, Mr. Speaker, and what an admission by a minister representing the consumers of this Province, and I quote, 'I will admit, Mr. Speaker, gasoline prices are not low enough. It should go lower. I would be delighted to see it go lower.' Now, Mr. Speaker, that gives rise to another question. If the minister admits that the prices are not low enough - and he admitted it - if he admits he would like to see it go lower - and he admitted it - if he admits that he would be delighted to see it go lower - and he admits it - it gives rise to this question, what are you going to do about it? What are you going to do that you are going to be so delighted? Are you going to sit back and say, 'Mr. Speaker, I did a survey and the survey showed this, the survey showed that. You asked the multinationals this, you asked the

large corporations this.' What do you expect the oil companies to say?

Mr. Speaker, I suspect these companies are running into windfall profits, and that is why I raise this very important question. Those profits should be going into the pockets of consumers. It is not good enough for the minister to sit there and give some kind of simplistic, silly, nonsensical, fantastical answer. And that is what it is, absolute fantasy.

MR. CALLAN:

Gibberish!

MR. SPEAKER:

Order, please!

The hon. member has asked to be heard in silence.

MR. FUREY:

Mr. Speaker, he may as well not even answer the question if he is going to get up and in this Assembly, under the mandate of the Minister of Consumer Affairs (Mr. Russell), take on the corporate role. That is not good enough.

Now, Mr. Speaker, I would also ask the minister to set up an independent inquiry - not the minister getting on the phone and talking to oil companies - a commission at arm's length, untouched by any government, untouched by any politics, and let that commission study why prices are so slow coming down in Newfoundland and Labrador. Why is there a twenty cent differential between the price of home heating oil in Nova Scotia and the price of home heating oil in Port aux Basques? Now, that is absolutely ludicrous, Mr. Speaker. The minister can get up and say, the

companies told me it was transportation, the companies told me it was storage. The companies my rear end! It is about time we had an independent inquiry, Mr. Speaker, away from government, away from politics, to go and face those oil companies to find out when the new oil came into the system? How much they paid for it? How much are their profits? Why is not the consumer reaping some of the benefits in this Province, particularly fixed income earners, such as senior citizens, and widows, and one-parent families?

Do you know what his answer was, Mr. Speaker? 'The hon. member wants me to set up an independent commission. Does the hon. member know how much that is going to cost? That would be too costly.' Costly? You set up a Food Prices Commission and there was not a blink about the \$80,000 that was spent on that. And I have some serious questions for the minister on that one, too. A Food Prices Commission, what a hunk of paper gathering dust on a shelf when people are still paying outrageous prices in Labrador. Ludicrous! The minister talks about where the money can come from. Mr. Speaker, we are asking the minister to set up an independent inquiry and if he cannot come up with the bucks for that, he does not deserve to be there. If the Premier can come up with \$800,000 so that he can sit in velvet chairs and have all kinds of polished new furniture - \$800,000 to renovate his office - surely the minister can come up with \$15,000 or \$20,000 to have a week-long independent study done on these prices.

MR. SPEAKER (Hickey):
Order, please!

I should inform the hon. member that he should now attempt to wind up his remarks. He has about a minute left.

MR. FUREY:

Mr. Speaker, the resolution continues: "BE IT FURTHER RESOLVED that government specifically renounce any intention to take up, in whole or in part, any benefits to the Newfoundland consumer, by way of taxation, resulting from the decline in world oil prices." We did hear the Minister of Finance (Dr. Collins) talk about the reversal of the ad valorem tax by taking, I think, a mean measure of gas prices per month and that automatically declines. We hope that is the case. We trust his word on that.

"BE IT FURTHER RESOLVED that government undertake an investigation to determine whether the full benefits of decreased world prices are being passed on to the consumer." I ask the minister again to reconsider his answer of the other day, Mr. Speaker, to set up an independent inquiry, and to not fuffify and obfuscate this issue and toss up smoke and mirrors and dance around it in a silly fashion. It is time to face this issue man-like and set up an independent enquiry, and to say to consumers of this Province, "Here is why the price is this way." The Minister knows, Mr. Speaker, that if \$800,000 can be found for the Premier's office, a few miserable dollars can be found for the consumers of this Province, namely, the man from Clarke's Beach, who is emblematic of thousands of consumers across this Province who are in the same position.

Mr. Speaker, my final comments: I

would also like the minister to address the macro-economic effects of decreasing world prices. In other words, what I am talking about, Mr. Speaker, very quickly, is this: If world prices go down, obviously the trucks rolling the goods into this Province are paying less. Is that can of soup on that shelf less for the consumers? Is that loaf of bread less for the consumer? Is that plywood less for the consumer? I want the minister to address the filtered-down effects of the macro-economic effects of the decrease in the world price of a barrel of oil.

MR. SPEAKER:
Order, please!

The hon. member's time has expired.

MR. FUREY:
With those comments, Mr. Speaker, I thank the Chair and I hope the minister will address some of those particular issues that I have raised.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
The hon. the Minister of Consumer Affairs and Communications.

MR. RUSSELL:
Mr. Speaker, I am pleased, indeed, to be able to make a few comments pertaining to this resolution. During the course of his comments, the hon. member for St. Barbe (Mr. Furey) used such phrases as 'flushing through the system' and 'rear end'. I suspect, Mr. Speaker, that it was not oil that was flushing through his system or his rear end.

MR. CALLAN:
Mr. Speaker.

MR. SPEAKER:
Order, please!

The hon. member for Bellevue.

MR. CALLAN:
It appears to be a good speech, Mr. Speaker.

MR. SPEAKER:
A point of order I take it.

MR. CALLAN:
A quorum call, Mr. Speaker. It is too bad there are only two of his colleagues listening to him.

MR. SPEAKER:
Call in the members.

Quorum

MR. SPEAKER:
Do we need to count the members?

SOME HON. MEMBERS:
No.

MR. SPEAKER:
I would take it there is a quorum present. Is it agreeable that we proceed?

SOME HON. MEMBERS:
Agreed.

MR. SPEAKER:
The hon. Minister of Consumer Affairs and Communications.

MR. RUSSELL:
Mr. Speaker, I was saying that during the course of his speech the hon. member for St. Barbe used such phrases as 'flushing through the system' and 'rear end', and that is about the gist of the content of what he had to say.

Mr. Speaker, this resolution is timely. I have said all along in

this House, and through the media, that the high cost of electricity and gasoline and fuels, generally, is an extreme burden on the consumers of this Province, particularly, perhaps, as one part of this resolution refers to, as it affects people on fixed incomes.

Now, the hon. member for St. Barbe (Mr. Fury) kind of indicated in his remarks that, as Minister of the Department of Consumer Affairs, I had not done or not tried to do anything to get a handle on and try to see to it that the reduction in the price of world crude or electricity was passed on to benefit consumers. Mr. Speaker, let me, perhaps, review for a few moments, because what we are talking about here basically in this resolution are prices as they refer to electrical costs, home heating fuel and gasoline. Let me just review, for a few moments, electrical costs or the price of electricity in this Province.

As all hon. members know, this government is presently subsidizing electrical costs in this Province by approximately \$45 million per year. Mr. Speaker, I think that that is quite significant and sometimes we tend to forget what governments are doing and what would be the cost to the consumer if they were not doing anything. If, Mr. Speaker, for example, this government was not subsidizing electrical costs to the tune of approximately \$45 million, where would the rates be then?

Mr. Speaker, some time ago in this Legislature I made a statement pertaining to the cost of hydro and Bunker C as it pertained to the operation at Holyrood as a result, perhaps, of some comments

made by the hon. member for Port de Grave (Mr. Efford). I sat down with the Hydro people to get a clearer view of how their operation worked at Holyrood and how the system worked as it pertains to the purchase of Bunker C.

Mr. Speaker, I will just take a couple of moments to refer to and give some figures. Like any good business, be it a private enterprise or a Crown Corporation, there comes a time when it has to prepare a budget. Newfoundland and Labrador Hydro, Mr. Speaker, is no different than any other business enterprise in this respect. So, I suppose, one day some months ago they were getting to their budget preparation and the issue of what their storage capacity was, how many barrels of crude they had purchased the previous year and based on certain past information and the cost at that time of a barrel of crude, they had to establish a budget.

Well, Mr. Speaker, at that time they established from their budgetary process that the price of a barrel of crude would be \$30. I want to emphasize, Mr. Speaker, that that was \$30 U.S., not Canadian. So, Mr. Speaker, the total capacity that Newfoundland and Labrador Hydro has at Holyrood is 880,000 barrels. However, each shipment is only 250,000 barrels.

MR. FUREY:

Only?

MR. RUSSELL:

I did not interrupt the hon. member for St. Barbe (Mr. Furey) when he was speaking and I would appreciate the same courtesy.

MR. SPEAKER (Greening):

Order, please!

Could we have silence while the hon. minister is speaking, please.

MR. RUSSELL:

Mr. Speaker, based on \$30 a barrel U.S., and based on the fact that since January 9 Newfoundland and Labrador Hydro has only had three shipments of crude, with the prices as follows, Mr. Speaker, on January 9 it is \$22.50 per barrel U.S., \$31.92 in Canadian dollars; on January 23, \$31.04 Canadian, and remembering that their budget price or allocated in their budget were figures of \$30.00 per barrel Canadian, on February 11, their shipment was \$27.00. So they had two shipments of oil over and above their budget price and one less than.

MR. FUREY:

(Inaudible).

MR. RUSSELL:

I will get to that in a minute. One shipment since that time was less than their budgeted price.

MR. DINN:

They do not want you to tell them the truth or anything, no.

MR. FUREY:

What was the breakdown?

MR. RUSSELL:

The price on January 9 was \$31.92 Canadian; \$31.04 Canadian; and \$27.00 Canadian.

MR. FUREY:

On a point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. FUREY:

I am sorry to interrupt the

minister. You were saying \$21.00 Canadian.

MR. RUSSELL:

I am sorry, \$27.00 Canadian.

MR. FUREY:

\$27.00 Canadian. I just wonder if the minister could clarify for us, because I am looking at a report from Colin McLarty, who is a Vancouver contractor, on where this oil is being brought from because he claims as late as three and a half months ago the price of crude back in December was \$16.70 Canadian.

MR. RUSSELL:

To that point of order, Mr. Speaker.

MR. SPEAKER:

To that point of order, the hon. the Minister of Consumer Affairs.

MR. RUSSELL:

Mr. Speaker, the hon. member and I could get into a debate or an argument or a difference of opinion as to what the figures are. I have been given this information by Newfoundland and Labrador Hydro, which has all been registered at the Public Utilities Board. All the information is there for the general public and the consumer to see. I am assuming and believing that these figures are correct.

MR. SPEAKER:

To that point of order, there is a difference of opinion between two hon. members.

MR. FUREY:

On a point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. FUREY:
Mr. Speaker, -

MR. BUTT:
Oh, come on!

MR. J. CARTER:
This is absurd. Make him sit down.

MR. SPEAKER:
Order, please! Could we have silence, please.

MR. FUREY:
Mr. Speaker, could you ask the minister who knows nothing about PCBs be quiet, please?

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

MR. FUREY:
I only asked the minister that question as a point of clarification in an effort to help him explain this matter. While the minister says he is quoting this from Newfoundland and Labrador Hydro, I do not disagree with that. I am just asking you where are they purchasing this oil when we can get it in other parts of Canada for \$16.70 Canadian?

MR. RUSSELL:
To that point of order, Mr. Speaker.

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

The hon. the Minister of Consumer Affairs.

MR. RUSSELL:
Mr. Speaker, I do not have at my fingertips at the present time what Shell or Esso or wherever -

MR. TULK:
He does not know. He just took their word.

MR. RUSSELL:
Mr. Speaker, I would rather take the word of Hydro than any of the hon. members opposite in the official Opposition.

SOME HON. MEMBERS:
Hear, hear!

MR. FLIGHT:
We know that. That is obvious over this past year.

MR. SPEAKER:
Order, please!

MR. RUSSELL:
Mr. Speaker, in an effort to try to protect the consumer, Newfoundland and Labrador Hydro has established a rate stabilization fund to try to put some stability into the way that the consumers are receiving their bills. Rather than them having the variations in excess for the Winter months and then much less during the Summer months, they introduced a rate stabilization fund. At the end of January, Mr. Speaker, that rate stabilization fund was in the red to the tune of \$2.5 million.

Now, as hon. members are aware, electricity rates and the price of electricity is based on things other than the actual price of crude. Water levels, for example, play a great role. Mr. Speaker, in an effort to better inform myself and thus this House of where that fund is at the present time and whether or not Newfoundland and Labrador Hydro is continuing to protect the consumers in that fund, I contacted them a few days ago and asked them to give me an update on what the water levels were, where that rate stabilization fund was and information on any future shipments of crude, what they

would pay for them, and things like that.

Mr. Speaker, if I may have the concurrence of the House, I would like to read this and I would be prepared to table the information. This is the reply which I received from Hydro pertaining to this and some protection for the consumers.

"On February 19, we" - being Hydro - "met to review the impact of changing oil prices on Newfoundland and Labrador Hydro. At that time I explained that Hydro's rates were set on the assumption that we would consume approximately 1.85 million barrels of Bunker C oil during 1986 and the average price for this fuel would be \$30 per barrel.

"The recent publicity concerning declining crude oil prices expressed in U.S. dollars may leave the public with the impression that Hydro's cost of producing electricity have declined dramatically. This is not the case. The last shipment of oil purchased by Hydro was on February 11, 1986 at which time we paid \$19.25 U.S. or \$27.00 Canadian per barrel. Hydro thought it might have to acquire more oil in early April but improving water conditions have allowed us to delay the receipt of another shipment until mid May. We are, of course, hopeful that this shipment will be received at a significantly lower price. But that price will not be known with certainty until the day the oil is actually unloaded at Holyrood.

"Attached are copies of several schedules which Hydro prepares each month and files with the Public Utilities Board. These particular schedules indicate the

status of Hydro's rate stabilization plans at the end of March."

This is a fairly significant figure, Mr. Speaker. I mentioned earlier in my statement about that rate stabilization fund there was a deficit in the red of some \$2.5 million. As of the end of March, it was in the red only \$435,000.

They go on to say, Mr. Speaker, "You may remember that the balances in Hydro's rate stabilization plans do not reflect variations in fuel costs alone. The plans are affected by changing water conditions on the Island which govern hydraulic production and the changes in customer demands or the load, as well as fuel cost variation. It is therefore too early to make any judgements about the effectiveness of the plan except to note that thus far the plan has protected consumers from the effects of low water conditions and high fuel prices which were experienced in January and February."

Mr. Speaker, I am prepared, as I said, to table this information.

Mr. Speaker, so much for electricity. I agree that the rates are not down or the cost is not down where we would like to see it. The hon. member for St. Barbe (Mr. Fury) said that I had not tried to do anything in that respect. Also, Mr. Speaker, he indicated that perhaps I not try to do anything pertaining to the cost of a litre or a gallon, whichever way you want to put it, of home heating fuel. I indicated some time ago, that we, as a department, had initiated a kind of mini-survey to try to find out the reasons for the variance in the price per litre of home

heating fuel as it pertains to the Atlantic provinces and St. John's. We did that, Mr. Speaker, on January 30 of this year and again on April 10 of this year. The prices are coming down.

I gave those figures yesterday, I guess it was, or the day before, in the House. In St. John's, for example, on January 30 the price per litre was 41.9 cents and now, as of April 10, it is 35.9 for Esso; Texaco is 42.1 and 36.1; Irving is 41.9 and 35.9; Gulf is 41.9 and as well 35.9, Petro-Can is 43.1 and 37.1; and Ultramar is 43.1 and 35.9. Mr. Speaker, there are many reasons for the variance in the price per litre. Whether we like it or not, the cost of transportation is a significant factor in not only the price of fuel and oil coming into this Province, but all other goods as well. Mr. Speaker, certainly it is more expensive to transport gasoline, oil and other things say from Halifax to St. John's than it is from Halifax to Charlottetown in PEI.

Mr. Speaker, some of the oil companies in this Province, for example, rather than take the risk of running short on product, bring in larger quantities than may be necessary. What they have found, Mr. Speaker, as any businessman knows, is if you run short, you lose your customers and it is very difficult to get your customer back once you have lost him. Included in some of these prices, Mr. Speaker, and I use Ultramar as an example, is the price of servicing your furnace. For example, if your furnace goes out in the night, they are portraying that this is probably a free service but you and I know that it is not free. It is a kind of hidden and it is a built-in cost

in each litre, so their cost per litre is up a bit more than it normally would because they are providing this kind of a service.

In some areas, Mr. Speaker, the sales volumes were down and so to compensate for that some of the oil companies gave their agents a higher commission because the sales volume was down.

MR. BARRY:

A point of order, Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. BARRY:

We are having a little difficulty establishing whether or not members opposite are going to be supporting this resolution, this very sensible resolution, or whether they are going to be voting against it. I wonder if the minister might indicate how they plan to vote.

MR. SPEAKER:

To that point of order the hon. Minister of Consumer Affairs.

MR. RUSSELL:

Mr. Speaker, the hon. Leader of the Opposition will find out in due course how this side will vote.

MR. BARRY:

He does not know. He has not received his instructions from the corporations.

MR. SPEAKER:

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

The hon. Minister of Consumer Affairs.

MR. RUSSELL:

Some of the reasons for the

variance in costs seem very reasonable, very sensible and they do account for some variance. I am not convinced, perhaps, that they account for the large variance of somewhere in the area of sixteen to nineteen cents per gallon, if you want to use it that way. It is kind of difficult to get a handle on where you draw the line in terms of 1.5 cents per litre or 1.3 cents per litre and that kind of thing. Mr. Speaker, I only have a few minutes left and I have some other information here about the current price of gasoline at the pumps. It kind of gives some answers, so to speak, to the question raised by the member for Windsor - Buchans (Mr. Flight) about the differences in prices from one place to another.

Now, Mr. Speaker, I indicated yesterday that that was correct and I was trying to get some picture of just what the variations were. Seeing as though I only have a few minutes left, Mr. Speaker, we looked at four places, St. John's, Gander, Grand Falls and Corner Brook and did kind of a quick study of the prices there. It is interesting, Mr. Speaker, to just throw out some of these figures. For example, regular unleaded gasoline in St. John's, as of April 10, was 53.8 cents, Gander 55.3, Grand Falls 55.4 and Corner Brook 54.6, which is a difference of 1.6 cents per liter which kind of bears out that there is pretty fair discrepancy; regular unleaded, the same kind of average variance when you get down to the bottom line; however, Mr. Speaker, super unleaded was higher with a 1.8 cent difference.

MR. SPEAKER (Greening):
Order, please!

The hon. the minister's time is up.

MR. RUSSELL:
Could I just take a few minutes to finish, Mr. Speaker?

MR. SPEAKER:
Does the hon. minister have leave?

SOME HON. MEMBERS:
By leave.

MR. SPEAKER:
Leave is granted.

The hon. the Minister of Consumer Affairs and Communications.

MR. RUSSELL:
However, you get the regular unleaded gasoline in St. John's it is 59.1, Gander 59.4, Grand Falls 59.0 and Corner Brook 60.0 and the variance per liter there is only .04 cents and for super unleaded the variance was .08 cents per liter. Of course, if you look at Labrador, they have not been lucky enough to get any benefit really of the decline in price because, as the hon. the member for Eagle River (Mr. Hiscock) indicated a few days ago and as hon. members know, the situation, the geography and the climate of Labrador indicates that the fuel has to be brought in in the Fall of the year at prices which exists at that time the people are stuck with the higher prices then.

Mr. Speaker, if I might just conclude in the next couple of minutes, I have a lot of sympathy for people on fixed incomes, as I am sure every member of this Legislature does. I do not know if it is fair to pick out individual cases to bring up because I am sure there are many of them. I am trying, Mr. Speaker, to do something to get a better handle on and pass onto the

consumers reductions in prices and if hon. members opposite feel that I was not trying to do anything, I hope that what I have said to this point has proven them wrong. I will continue to do what I can to protect the consumer.

Thank you, Mr. Speaker.

MR. EFFORD:
Mr. Speaker.

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

MR. EFFORD:
Mr. Speaker, I would start off by making a few brief comments about the comments by the Minister of Consumer Affairs and Communications (Mr. Russell). In the motion it states: "WHEREAS there has been in recent months a major decline in the world price of oil." The Minister of Consumer Affairs has stood in his place for the last twenty or twenty-two minutes and as the Minister of Consumer Affairs we should have known by now that he is there to protect the consumer because obviously that is the message that he had intended and was trying to get across. However, he does not know the difference between the consumers of the Province and the corporations of the Province.

The Minister of Consumer Affairs stood in his place for twenty minutes and at the end of that speech he said that he does not know if he is going to get permission to vote for this motion. He has not taken a stand to protect the consumers, after all the questions that have been put forward to him and after all the answers that he has tried to give in this House. So, we have to draw one conclusion only, Mr.

Speaker, and that is that he is still the minister of corporate affairs and not the Minister of Consumer Affairs.

Mr. Speaker, the price of world oil has definitely gone down. I do not think anyone is going to argue that fact. I do not think anybody is going to be misleading about that. The fact is that last year we were paying in excess of \$37 a barrel for Bunker C. This year we are paying down to \$16 a barrel and that is a drop of some \$20 a barrel.

Mr. Speaker, anybody is aware, or should be aware, that when you are in business and you buy a commodity or a product that you intend to sell, you buy it at a one price and you put a profit on it, and you sell it and you make a profit, whatever it is, 25, 30 or 40 per cent or whatever. Mr. Speaker, the next time you buy that same product and you pay a percentage point less, whether it be 20 per cent or 50 per cent or whatever less, and you sell it for the same price as the earlier price, then you are going to make an extra profit. In fact, Mr. Speaker, anybody in that type of business, what they are doing is ripping off the consumer and making enormous profits.

Mr. Speaker, the gasoline pumps are not reflecting the world prices that oil companies are paying for a barrel of oil. If the price had decreased to the sum of \$20 a barrel and they were originally making profits at that particular price, they must be making larger profits because they are still selling at or near the original price. It is up to every individual in this Province, and it is up to every person in government and it is the job of

government and it is a job of the Opposition to make sure that the prices are passed along to the consumer. Certainly, Mr. Speaker, the government is not providing the jobs and not providing the income for people to buy the gasoline. Certainly the turnover in the Newfoundland economy is not improving. I find it very distressing to find that while we still have this outrageously high unemployment, we are still paying those high, outrageous prices. You would think that the Minister of Consumer Affairs (Mr. Russell), along with all ministers in the government, would put on an extra special effort at making sure that the prices would be reflected at the pumps at a much greater rate than they are.

Several years ago we were paying just around \$1.00 or \$1.50 for a gallon of gasoline. Just last year we were paying over \$3.20 for the same gallon of gasoline. The prices have now dropped to where they were several years ago and we are only down to the price of around \$2.75 for a gallon of gasoline. It further shows, Mr. Speaker, that the profits are certainly being made.

Now I find out that only a selected few of the consumers in this Province are receiving the benefit of lower prices. A company, who may have a fleet of trucks and their own tanks, may buy gasoline or diesel fuel in bulk quantities in order to get a better price. They can now go to a retailer and buy the same fuel at a cheaper rate than they are being charged by the companies, which means that the companies have not decreased their prices not one cent per litre and they are consumers of this Province, whether they are in business or

whether they are fishermen in boats.

Anybody with any common sense should realize that any company that can have operational costs decreased, can have greater profits. It means the company can expand its business. When he expands his business, he must hire new people. He must hire extra people and it means extra jobs. One would think that would be the desire of any government, to encourage any business to expand so that jobs could be created at no expense to government. But that is not happening, Mr. Speaker. Nobody will stand up on that side and say, "Well, that is a fact. This is what is happening." This is a negative factor now and we must see that there is going to be a better solution in the future. All we can get from members on the government side is, "Oh, that is nonsense. That is not so." But it is not nonsense and it is certainly a fact.

The Minister of Consumer Affairs went on to talk about the electricity prices. He tells us that he has met with Hydro and Newfoundland and Labrador Light and Power. He probably has also met with the high paid official on the Board of Utilities. He certainly is getting paid enough. He should have met with him. But he has never once admitted or told us if he met with any consumer groups. I think those people, the consumer groups of this Province, would be the right people for the Minister of Consumer Affairs to meet with. How else is he going to get the information on actually what is happening to the consumer of the Province? He is certainly not going to get it from corporations. He is certainly not

going to get it from the official on the Public Utilities Board at the high rate of pay that he is receiving for the number of jobs that he has obtained from this government and the benefits he has obtained from this government and around the Province.

MR. CALLAN:

Who is that, Andy Wells?

MR. EFFORD:

I believe that is the name of the man who likes to write a lot of letters.

AN HON. MEMBER:

\$25,000 a year?

MR. EFFORD:

I think it is \$25,000 a year for three meetings. That is the minimum. Then there are all the extra benefits. So he has no problem, like the minister who is getting paid the salary he is getting, of walking into a gas station or buying his home heating oil or paying his electricity bill.

MR. FUREY:

He has a credit card from government.

MR. EFFORD:

Yes that is right. That is an extra credit card. But, Mr. Speaker, there is a very large number of people in this Province. Number one, there are the low income people, the widows of this Province, the people who are desperately searching for jobs and who would do anything, any type of job, if it was provided for them but there are none there. They are either on social assistance or on the make work programmes receiving the lowest income possible. Then we have the people who are working and are receiving the low incomes. All of

those people, Mr. Speaker, are greatly affected by the high electricity rates we are paying.

I find it confusing and I will always find it confusing why, Mr. Speaker, we are still paying the high electricity rates. The price has gone down for several months and not one dollar has been reflected on our light bills. A family of four with an income, as the hon. member for St. Barbe (Mr. Fury) quoted earlier, of \$489 and was living in my district in February month, they paid \$326; last month they paid \$286; in January they paid over \$300 and their income is \$489. Now this is no laughing matter. That is only one example of what is ongoing right across this Province. The best thing the Minister of Consumer Affairs (Mr. Russell) can say is, "Well, we are already subsidizing to the tune of \$45 million." I say to the Minister of Consumer Affairs (Mr. Russell), yes, possibly they are subsidizing, although the Minister responsible for the Petroleum Directorate (Mr. Marshall) referred last year to \$20 million. Now it has jumped to \$45 million, but if it is \$45 million, they were subsidizing those prices when the prices of gasoline and when the prices of crude oil was at its highest level. So that has absolutely nothing to do with the prices we are paying now. The subsidy was there then and the subsidies are there now.

MR. J. CARTER:

What are you talking about?

MR. EFFORD:

We found out last year that PEI was having the same problem as the consumers in Newfoundland with their high electricity rates. We found out that the provincial

government in PEI worked out an agreement with the federal government in Ottawa where they are paying 25 per cent less on their electricity bills in 1985 than they were in 1984. This had absolutely nothing to do with subsidies or it had nothing to do with the decrease or decline in world oil prices. If the government in PEI can work out an agreement with the federal government in Ottawa, why cannot the provincial government in Newfoundland, who won the last election and told the people that the best thing they could ever do would be to vote Tory because we have a Tory Government in Ottawa?

MR. J. CARTER:

That is right.

MR. EFFORD:

Well, if the people of this Province voted Tory and put the government in so we could have better relations and we would get better deals, I would like to ask the members in government where are the good deals?

MR. J. CARTER:

What do you call the Atlantic Accord?

MR. EFFORD:

Mr. Speaker, there is a name I could use on the Atlantic Accord but I would not use it in this hon. House of Assembly such as would the member for St. John's North (Mr. J. Carter).

MR. FUREY:

The Atlantic joke.

MR. CALLAN:

Trash, rubbish.

MR. EFFORD:

Mr. Speaker, there are answers to our high cost of electricity

rates. PEI found out one of the answers and now their prices are dropped even more.

Mr. Speaker, we must have answers because the burden on the consumer is certainly too heavy. I will go one step further, Mr. Speaker, in relation to the consumer and that is the widows of this Province. One widow of this Province in particular, and I can give you this an example, is receiving \$252 a month income. Living alone in her own home at age fifty-five, her income is \$252.

MR. FUREY:

Laugh at that Carter.

MR. EFFORD:

That is Canada Pension. She went to Social Services and asked for a supplement and they gave her \$79 a month, that brings her up to somewhere around \$332 a month. She is living in a two story house - again, this is only an example of what is going on around the Province - she is living in a two storey house and she is not burning electricity, she is burning oil. Most of the night she has to go to bed with a coat on and her mitts on. The cost of filling up her oil tank is somewhere around \$200 or \$250 every two weeks.

MR. J. CARTER:

And you have done nothing about it.

MR. EFFORD:

Mr. Speaker, the hon. member for St. John's North (Mr. J. Carter) and I hate to use that word honourable but, in respect to the House I have to use it, he can sit down there and make his slurs but the facts are out there. Mr. Speaker -

MR. J. CARTER:

What have you done about it?

MR. TOBIN:

Boy, you are some boring, sit down boy, you are too boring to listen to.

MR. FUREY:

He has asked your government for help.

MR. EFFORD:

Mr. Speaker, this is my job as an Opposition member, as members opposite are trying to throw their slurs and their fancy remarks across at me, but they are getting nowhere. As the editorial in our local paper just showed recently, you are getting nowhere.

MR. J. CARTER:

I say read it yourself.

MR. SIMMS:

By leave, read it.

MR. EFFORD:

I will pass it over to the member for Grand Falls (Mr. Simms). By leave, I will read it, Mr. Speaker.

MR. FUREY:

Read it out, 'John', read it out and table it.

MR. J. CARTER:

No, he is getting no leave.

MR. EFFORD:

"A St. John's member of the House of Assembly has referred to some 3,614 people in the provincial district of Port de Grave as" -

MR. J. CARTER:

He does not have leave to read that.

MR. EFFORD:

I have leave, Mr. Speaker.

MR. FUREY:

They gave leave. We will table it.

MR. SPEAKER:

Leave is not granted.

MR. FUREY:

'Jim Morgan' gave us leave.

MR. SIMMS:

Just ask the Page to bring it over, I will read it.

MR. MORGAN:

You do not need leave to read it. Read it and table it afterwards.

MR. FUREY:

Read it, boy, and table it. Go ahead, 'John'.

MR. MORGAN:

You do not need leave of the House to read something in the paper. Read it and table it.

MR. FUREY:

Right on, you do not.

MR. EFFORD:

I have leave, Mr. Speaker.

I know what they are trying to do.

I will begin: "A St. John's member of the House of Assembly has referred to some 3,614 people in the provincial district of Port de Grave as 'scum of the earth.' St. John's North MHA, John Carter, made the statement in the Legislature on March 24, after Port de Grave MHA, John Efford, had stated that the -

MR. TOBIN:

On a point of order, Mr. Speaker.

MR. SPEAKER (Greening):

Order, please!

On a point of order, the hon. the member for Burin - Placentia West.

MR. TOBIN:

Mr. Speaker, I think there is a rule here that relates to a person being relevant to what is being discussed, what is being debated. I think, Mr. Speaker, that what we are debating today is a resolution that has been put forth by the member for St. Barbe (Mr. Furey). I think the rules of this House should be adhered to, and I do not think what the hon. the member for Port de Grave is addressing right now is relevant to the discussion here today.

MR. FUREY:

Mr. Speaker, to that point of order.

MR. SPEAKER:

To that point of order, the hon. the member for St. Barbe.

MR. FUREY:

Mr. Speaker, what the hon. member is referring to are constituents in his district. Constituents, Mr. Speaker, whether the hon. the member for Burin - Placentia West (Mr. Tobin) realizes it or not - the minister certainly does not - happen to be consumers and he is quoting from this particular paper, talking about consumers, constituents in his district who are having problems with consumption of goods and prices of oil, and problems with being called 'scum' by the member for St. John's North (Mr. J. Carter). You know, Mr. Speaker, sometimes he should stand up, all seven feet of him, reach down to his socks and drag his intellect up to the top of his brain. If he would take time to do that, Mr. Speaker, we would not be hearing such foul, crass, arrogant, dirty, filthy language coming out of his mouth in talking about other people's constituents. This is an honourable House and he should

start learning to be an honourable member.

MR. SPEAKER:

Order, please!

Really, there is no point of order, but I must advise the hon. the member for Port de Grave (Mr. Efford) that if he wishes to read the article, I must ask him to table it afterwards.

MR. FUREY:

No problem.

MR. EFFORD:

Mr. Speaker, I only have four minutes left. I have some important points to make on this resolution, so I will continue.

Mr. Speaker, before I conclude, I would like to make one point to the Minister of Consumer Affairs with regard to shipments of oil brought into the Holyrood generating station. He has referred to the shipments as 'only', and he very specifically said 'only' 250,000 barrels per trip, only 250,000 barrels, and if the price of oil has decreased by \$20 per barrel, on 250,000 barrels that is not only one small amount of money, that is a very large amount of money. He has also stated that they paid \$31.00, \$27.50 and \$24.50 for a barrel of oil. I would like to ask the Minister of Consumer Affairs (Mr. Russell) - and I would like this point straightened out once and for all - in conversation with Newfoundland Hydro, they told me that they had a floating contract, that the contract was such that when the price of oil on the world market went down, so went down their prices.

MR. FUREY:

And the reverse.

MR. EFFORD:

And the reverse. Then he went on to state that in May month they have another shipment coming, and they do not know what the price is going to be.

MR. J. CARTER:

The world price.

MR. EFFORD:

The world price?

MR. J. CARTER:

Yes.

MR. EFFORD:

Then he can assume that it is going to be around \$16 a barrel.

MR. J. CARTER:

What about the oil that is already in the tanks?

MR. FUREY:

Oh, boy, give it up. That is a Tory story.

MR. EFFORD:

I wish, when the price of oil increased, as it has over the last number of years, which affected gasoline prices, home heating oil prices and electricity rates, government had given it the same consideration as they are giving it now that it is decreasing.

SOME HON. MEMBERS:

Hear, hear!

MR. EFFORD:

We received the increases at a much higher rate and a much quicker rate than we are receiving the decreases.

MR. J. CARTER:

I thought you were talking about Hydro.

MR. EFFORD:

In conclusion, Mr. Speaker, I

would ask the Minister of Consumer Affairs (Mr. Russell), in fact, I would ask all members of government to take into consideration the consumers of this Province, to take into consideration every individual in this Province. We can no longer withstand the high prices, we can no longer withstand the high price of gasoline, we can no longer withstand the high price of home heating oil, or the high electricity rates. This resolution could be the answer to it in that it will enforce members on both sides to vote for something that will ensure the people of this Province that everybody is co-operating to make sure that everything will be in order for the coming year.

Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. J. CARTER:

Mr. Speaker.

MR. SPEAKER:

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

MR. J. CARTER:

Mr. Speaker, there are a couple of points that should be made. First of all, in reference to the member who has just taken his seat, he reminds me of an old firehorse that a station had and they did not know what to do with it; they did not know whether to put the old horse out to pasture or whether to mercifully shoot it and put it out of its misery, so they decided to keep it on for false alarms. I think this adequately describes the hon. member.

Now, Mr. Speaker, in relation to this resolution it is redundant,

it is insulting, I think it is sleazy, and I do not think it should be voted for. That is not to say that some of the objects that it addresses are not worthy. But it is couched in such sleazy language that to vote for it would be to just encourage the Opposition in their insulting tactics. So I do not think it should be voted for.

MR. FUREY:

That is right, vote against fixed incomes, vote against pensions.

MR. J. CARTER:

Now, let us do a little arithmetic here: I notice very well the very talkative member for St. Barbe South (Mr. Furey), I believe it is.

MR. FUREY:

On a point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. FUREY:

Now, if the member is going to refer to my district, let him get the name right. I know he is living with the dinosaurs, but it was changed some years ago. Let him drag his memory up to 1986; it is called St. Barbe.

MR. SPEAKER:

To that point of order, I think the hon. member for St. Barbe is clarifying the name of his district,

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

MR. J. CARTER:

Thank you, Mr. Speaker. The member for St. Barbe is all talk and no action. Two or three weeks ago, there was a hearing of the Public Utilities Board at their

board rooms in relation to the application by the Newfoundland Light and Power to increase their rates. Now, the increase they were looking for was not great, but any increase, I think, is unfortunate at this time. Members of the general public, and certainly elected members, could have intervened. The hon. member was noticeable by his absence. In fact, all hon. members opposite were noticeable by their absence. They did nothing about it. They love to get up and shoot off their mouths and talk, talk, talk. I suppose they are emulating their former, former leader, because that is all he ever did. His name escapes me for the moment, but one of their former leaders, their first former leader. Anyway, all they can do is talk. There was an opportunity for them to intervene and to have sensible input into the decision by the Public Utilities Board to either grant or not grant a small raise in electricity rates. I have no hesitation in saying that I was there and I made representation against the application of the Newfoundland Light and Power to raise the rates, and I think that that is a lot more important than standing up here and just talking on about it. I made a submission. I will not bother to read it into the record.

MR. SIMMS:

Read the gist of it.

MR. J. CARTER:

The gist of it is quite easy to give.

So there were no Liberals. There might have been some Liberals there in disguise, but there were no Liberal members there. There were no representatives of the NDP there; nobody showed any interest

in it from the opposite side of the House. Now, no one from this side of the House had to show interest in it, because we have input in caucus and the ministers, of course, have input in Cabinet. So it really was redundant for me to be there but, in spite of the fact, I showed an interest in it, I was interested in it. And I am certainly concerned about the power rates in Newfoundland, so I did make a submission there and I will briefly sketch the gist of my submission.

Now, why is electricity so expensive? I would like to challenge members opposite. Do they know why electricity is so expensive? Have they analyzed why it is so expensive? I bet you they do not understand.

MR. BAKER:
(Inaudible).

MR. J. CARTER:
If the hon. the member for Gander (Mr. Baker) would like to - I would gladly allow any members opposite, if they want to interrupt and get up and deliberately mislead the House in making statements. Do they realize, do you think, what proportion of your light bill is interest? What proportion of the money you pay out for your light bill is interest? The hon. member does not know. He would be surprised to learn that something of the order of 50 per cent of your light bill is interest that is paid by Newfoundland and Light and Power, or Hydro, or both, on the creation and the building of the assets which they use to generate electricity. So 50 per cent of your light bill is interest however disguised. Of the remaining 50 per cent, roughly another half is related to the

cost of transmission and generation. Only about a third of all our electricity on this Island is generated by oil-fired generators, therefore, the amount of our light bill that is related to the price of oil is one twelfth. That is to say, if you had a light bill of \$96 for a month, only \$8 of that would represent the cost of oil. Therefore, if the cost of oil went down by 50 per cent, you could only expect to save \$4 on your light bill. Now those are the facts. You can argue all you like, but those are the facts. Now I have simplified the percentage -

MR. FLIGHT:

Only about a week ago the oil escalation factor was on the bills by itself. It was heavy up until about a month ago.

MR. J. CARTER:

Yes, but the percentage of your light bill that is represented by oil-fired generation is about one twelfth.

What is the real reason for the increase in costs of electricity? The increases in the cost of electricity really reflect the increases in the cost of development. When Bay d'Espoir was first developed, the cost of developing Bay d'Espoir per kilowatt hour or per megawatt, if you like, was relatively cheap.

The cost per megawatt of developing Bay d'Espoir was relatively low. In other words, the 450 megawatts of capacity were constructed.

AN HON. MEMBER:

Is the hon. member saying one is the same as the other?

MR. J. CARTER:

No, it is not the same, but you can either say the cost per kilowatt hour or you can say the cost per megawatt, the cost per unit of power was relatively low. I am not trying to confuse oranges with apples. If I am going to start off talking about megawatts, I will continue all the way through. The cost per megawatt of producing that capacity was fairly low but, then, along comes Holyrood oil-fired generation and the cost was somewhat greater, and Hind's Lake and Cat Arm were greater still. This is the surprising thing: If we could get Churchill Falls power transmitted to the Island, it would cost eighty mils to transmit. So even though it may only cost two and a half mils to generate, it would cost eighty mils to transmit to the nearest junction.

MR. BAKER:

Were you surprised to find that out?

MR. J. CARTER:

I was quite surprised to learn that.

MR. BAKER:

I have known that for years.

MR. J. CARTER:

This means that for every large increase in the capacity of Newfoundland Light and Power or Newfoundland Hydro, we can expect to see a very great increase in our electric bills.

SOME HON. MEMBERS:

Oh, oh!

MR. J. CARTER:

Mr. Speaker, I enjoy the comments going back and forth across the House and I do wish, sometimes, this House of Assembly did have a

more relaxed atmosphere so that this kind of informal conversational style could be adopted, but I think if we did try that, members opposite would abuse that privilege so I think we have to ask for silence.

However, the problem with bringing Churchill Falls power, first of all, is to get it. If we could get it we could bring it, and it is this Catch 22 situation that we are caught up in. We cannot get the financing to build the hydro line unless we could have assurance of the power and, of course, under the contract we cannot get assurance of the power unless we can show that we can transmit it. That is the catch that is in the contract and the Leader of the Opposition, who was Minister of Energy at the time, was not able to address it, so I think it is intransigence on the part of Quebec. However, my recommendation was, and is, and will be that there will be a change in the rate structure, a change in the structure of the way the rates are charged to consumers.

Now, in the old days, the first few hundred kilowatt hours that you burned were the most expensive, then the more you burned the cheaper they became. I forget the exact number of hours you had to burn to get into the cheapest rate, but eventually, and before very long, you got into very, very cheap rates.

Now, of course, electricity is more expensive but instead of having the first few kilowatt hours more expensive, now you have the same rate throughout which seems more reasonable. I have suggested that the first few kilowatt hours be at a cheaper rate and succeeding ones more

expensive, and this way you would give the relatively small consumer a break. Even someone who was a moderately large consumer would not pay much more than they pay at present, but it would discourage excessive use and discouraging excessive use of power would discourage excessively rapid and excessively expensive development and should lead to stable electricity rates. So the consumer would have a break and the consumption of electricity would not escalate as fast as it might otherwise do.

We are a wasteful society. This very Chamber when it was built was not built to take advantage of natural light. At the present time it is daytime; we have one large window on one side but we cannot manage without all these lights and, even though they are fluorescent lights, which are supposed to be efficient, because they are recessed, they are very inefficient. I would suggest that the unnecessary cost of lighting this Chamber must be considerable, and this is only one example. This is only a 'for instance'.

In practically every office and office building the same thing holds true, plenty of natural light but, oh, no, we have to have the building built in such a way that very little of that natural light can get in. In fact, there are a great many offices that have no outside windows at all, no light, and, of course, the only way to light them is artificially. So we are a wasteful society.

This change in the rate structure might, after a while, encourage people to make more use of natural light, to try and turn off lights when they are not being used, to try and use all kinds of

efficiencies. I do not need to go into all the many ways that light can be saved except to say this: There is a person of my acquaintance who is knowledgeable on electrical matters, who has a modern house and whose light bill, although he does not heat with electricity now but he heats his water and his stove is electric, is under seventy dollars a month. So it can be done. I am sure, if hon. members were really interested, I could get the gentleman's name. He is an expert on power.

MR. BAKER:

What effect would your rate structure have on the small, medium and heavy consumer?

MR. J. CARTER:

Because the member for Gander's microphone is not working, I will repeat his question. He has asked me what difference my rate structure would make to the small, medium and heavy consumer. It would decrease the bill for the small consumer, for the moderate consumer it would stay the same, and for the heavy consumer the bill would go up. But I suggest that the big, heavy users, perhaps like myself, are the ones who should be penalized and not the small and medium consumer of which, fortunately, there is the great majority.

With those few words I will take my seat.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Hickey):

Order, please!

The hon. member for Bonavista North.

MR. LUSH:

Mr. Speaker, I agree with at least one thing the hon. gentleman who just took his seat said. I must admit I did not listen all that attentively, because I find that the hon. gentleman does not arrest my attention, for some reason or other. I do believe that he, in describing himself, referred to a couple of adjectives. In describing himself, he talked about redundant and sleazy. I thought he was describing himself, and I certainly could agree with his description.

Now, Mr. Speaker, seriously, to the essence of this resolution that has been presented by the member for Fortune-Hermitage (Mr. Simmons). This resolution rises out of tremendous concern, empathy and sympathy for the poor, for those on fixed incomes, for the downtrodden, for senior citizens and for the unemployed. That is what has given the essence, that is what has given the raison d'être for this resolution.

AN HON. MEMBER:

Could you give me a translation.

MR. LUSH:

Raison d'être, and I shall not give up my pronunciation for hon. gentlemen opposite at any time, whether it is English or French.

Now, Mr. Speaker, this resolution was developed because of those concerns for those classes of people that I have suggested, realizing the kinds of difficulties, the kinds of extreme frustration that these people are experiencing in these rough economic times. It does not matter, Mr. Speaker, what happens within our economy, it seems as though these people are continually and continuously being

gouged and exploited and it is out of that concern that we have presented this resolution. I ask hon. gentlemen opposite to recognize the difficulty, recognize the frustrations that these people are experiencing, the poor, those on fixed incomes, the unemployed.

Mr. Speaker, all we are saying is that with the reduction in oil prices throughout the world, we believe these people should see some benefit, they should reap some immediate benefits because of the reduction in these prices, and we have suggested a method, we have suggested a way whereby we can look into this and hopefully expedite the process whereby these people will reap these benefits to make life a little less cumbersome, to make life a little less burdensome for these people who are finding the economic pinch and the economic bind so devastating.

Now, let me look at this resolution. I think the member for St. John's North (Mr. J. Carter) has been the only one indicating that maybe government would not be supporting this. I do not think I heard the Minister of Consumer and Corporate Affairs say that he was not supporting this resolution. I do not think. He sort of listed off some of the things that his department were engaged in to try and ease the financial burden, but I did not hear the hon. gentleman say that they would not be supporting this resolution. But the hon. the gentleman from St. John's North did when he said that the resolution was redundant and sleazy. Now, I do not see why the hon. gentleman labelled this resolution redundant and sleazy. A strange thing, though, Mr.

Speaker, about this resolution is that a resolution similar to this has occurred on every Private Members' Day for a number of sessions. I believe if hon. members went back and looked they would see this kind of a resolution on the Order Paper. The strange thing is how the circumstances have changed. In fact, a couple of years ago it was because of the tremendous high price of oil that was causing the escalation of prices in home heating fuel and electricity costs. Now we are in a position where the price of oil is going down and we still find it necessary to put the same Private Members' Resolution on the Order Paper. That is thing that changes the entire situation.

I just want to look through this resolution in a little detail to try and find out what it is that we can all agree to or what it is that hon. gentlemen find so offensive. Even though the hon. member for St. John's North (Mr. J. Carter) described the resolution as redundant and sleazy, he did not say which parts were redundant or which parts were sleazy. He also used a third adjective but I did not get that one.

Let us look at it, Mr. Speaker, in detail:

"WHEREAS there has been in recent months a major decline in the world price of oil." That is correct and accurate. "and

"WHEREAS the price consumers in Newfoundland and Labrador pay for gasoline, home heating oil and electricity should be directly related to the world price of oil." Is there anything wrong with that? That seems to be

rather logical; "and

"WHEREAS the cost to consumers in Newfoundland and Labrador of gasoline, home heating fuel and electricity is amongst the highest in Canada." That is correct and accurate. It does not say that it is the highest, Mr. Speaker, it says 'amongst.'

Certainly there can be nothing in this resolution so far that hon. gentlemen could not agree with. They certainly could not get anything there that they find offensive. They certainly must be able to agree with everything so far. It goes on to say:

"AND WHEREAS these costs are a crushing burden to a great number of consumers in Newfoundland and Labrador." Do they not believe that, that the prices that the Newfoundland and Labrador consumer is presently paying for the price of home heating fuel and for the price of electricity is causing a crushing burden? Do they not believe this? It goes on to name those people who are experiencing the crushing burden.

It says, "Those on marginal or fixed incomes, especially the senior citizens of Newfoundland and Labrador." Mr. Speaker, I do not know whether hon. gentlemen realize that the crushing burden of the cost of home heating fuels and the cost of electricity is driving senior citizens out of their homes. They are finding the cost to exorbitant to be able to cope with and they find it better to move out of their homes and move into senior citizens homes. Give up their homes, this is what we have forced them to do, Mr. Speaker, forced the senior citizens to give up their homes and to go and live in some kind of

an institution because they cannot cope with the ever increasing and the ever escalating prices of home heating fuel and electricity.

We have given the justifications in the resolution for the "BE IT RESOLVED," sections, and, I again ask hon. member what is it they find in the beginning part of this resolution, in the rationale for the resolution, that they cannot agree with? Obviously, there can be nothing within the formation of the logic and the rationale for this particular resolution that hon. members would find offensive.

Now, in the "BE IT THEREFORE RESOLVED" sections we find: "BE IT THEREFORE RESOLVED that government commit itself to passing on, as they occur, the fuel benefits deriving from the decline in the world price of oil to reduce the cost of gasoline, home heating fuel and electricity costs to Newfoundland consumers." Again, I ask hon. members, what is it they find offensive about this? Do they not want the consumers of Newfoundland and Labrador to benefit from the declining prices of oil? What is it about this, is there something about this that they do not want the consumers of this Province to benefit from that in a more expeditious, in a more rapid manner? What is it?

Again, Mr. Speaker, I mention the oft mentioned concept and idea that it takes so long for declining prices to reach the consumer as opposed to how short it takes increasing prices to reach the consumer? You would almost believe that the oil companies had some sort of automatic control in their pipelines that when the prices went down the valves almost closed off and moved with glacial speed.

Whereas when the prices increased, it seems as though everything opens up and there is just a wild and rapid flow like a torrent and within hours the consumer is burdened with the increase. It is a strange phenomena! I am not sure that even though ministers are over there now showing their lack of sincerity and their lack of concern with this matter, I am not sure that they understand the process. I am not sure that they understand why such a long delay before the consumers of this Province can benefit from the declining world prices for oil.

Well, Mr. Speaker, I try to imagine at this particular point in time I am on the other side, that I am a government member.

AN HON. MEMBER:

You are only dreaming.

MR. YOUNG:

You will never be a government member.

MR. LUSH:

Imagination will shortly become a reality, but in everything I do -

MR. MATTHEWS:

Your application is turned down.

MR. LUSH:

- I always try to place myself in the position of ministers, to try and keep my feet on the ground because I realize this can be a very - what we are into, Mr. Speaker, this topic can be a very emotional topic.

SOME HON. MEMBERS:

Oh, oh!

MR. LUSH:

I am afraid if hon. gentlemen keep interrupting me, I may become emotional, as I am capable of

doing. But I am trying to remain logical and rational.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. LUSH:

Mr. Speaker, I try to project myself in the position as minister or as a backbencher on the government side and say, what is it in this resolution that I am against? Am I against passing on benefits to the consumer of this Province that result from declining world prices? Am I afraid to do that? Am I afraid to support a resolution which would look into why the consumers of this Province are not reaping the benefits of these declining world prices? Why is it that I would not support a resolution to try to ensure that our people are given all of the benefits of these declining world prices? Why is it? I have not read anything so far and I am on to the second BE IT FURTHER RESOLVED.

"BE IT FURTHER RESOLVED that governments specifically renounce any intention to take up, in whole or in part, any benefits to the Newfoundland consumer, by way of taxation, resulting from the decline in world oil prices." Now is that not again a noble thing to do? The fear here is that because world prices will decline and people are in the habit of paying certain prices for their fuel or for their gas and oil or whatever the case might be, that the government, with its propensity to collect revenues, would be inclined to ensure that the people are still paying the same by imposing greater taxes. Now that is the fear there. Certainly hon.

gentlemen would agree with that because there are declining prices. We should not take advantage of the consumer and tax the consumer. There is nothing in that.

DR. COLLINS:

How would we do that?

MR. LUSH:

I never got what the Minister of Finance (Dr. Collins) said, but I do not think that anybody would disagree with that, to try and take away by taxation any benefits that would come anywhere through declining prices.

So, so far, Mr. Speaker, I have not been able to see anything that I would disagree with if I were a minister. If I were the Minister of Finance or if I were the Minister of Consumer Affairs or if I were the Minister of Mines and Energy, so far I find nothing offensive in this resolution and I am three parts through it I believe. There are only two more resolves left. Now we will see what this is. What we talking about, Mr. Speaker, was the addition of extra taxation.

Mr. Speaker, the third "BE IT RESOLVED" is, "AND BE IT FURTHER RESOLVED that government undertake an investigation to determine whether the full benefits resulting from the decline in world prices in the areas of gasoline, home heating fuel, and electricity have been passed on without delay to the Newfoundland and Labrador consumer by the oil companies and Newfoundland Hydro." Certainly, if the consumers of this Province are not reaping the benefits of declining prices, there have got to be some culprits somewhere. This resolution attempts to identify

who the culprit is.

Would hon. members find that offensive, to try and determine if indeed the consumers of this Province are reaping the full benefits from the decline in world prices? How could they ever find it within their hearts, how could they find it within their brains, how could they find it within their total metabolism, to object to such a resolution, to such a "BE IT RESOLVED."

Finally, Mr. Speaker, it says: "AND BE IT FINALLY RESOLVED that government undertake a study to determine the impact of home heating costs on those citizens of Newfoundland and Labrador on fixed incomes, particularly senior citizens and, contingent upon the findings of such a study, devise proposals of assistance for senior citizens."

The hon. the gentleman for St. John's North (Mr. J. Carter) may have seen in this last clause some redundancy. That is maybe where he thought the redundancy existed because senior citizens happen to be mentioned. But, Mr. Speaker, senior citizens were mentioned in the "WHEREAS" to point out the logic and the rationale for the resolution. The last part of the resolution comes up with something concrete and it addresses the problem of senior citizens. It addresses the very point that I talked about earlier when I identified the people who are finding the financial and economic pinch of trying to make ends meet in these rough economic times. We have suggested in this resolution that the government do something for senior citizens, that there become some kind of assistance.

The minister, when he was

speaking, boasted about the \$45 million by which the government was subsidizing the electricity costs of the Province. Now, Mr. Speaker, the minister could double that figure and if that subsidy is not resulting in decreases to the consumer and to the senior citizens, and they find it just as difficult to live, how can the minister expect the consumers of this Province to understand that, to sympathize with him, to appreciate the fact that the government is already subsidizing the cost of electricity?

Maybe the minister should study that a little more. Maybe he should look into whether or not the subsidization of \$45 million is, indeed, a help to the consumer.

MR. SPEAKER (Hickey):

Order, please!

I should advise the hon. member he has about two minutes left.

MR. LUSH:

Thank you, Mr. Speaker.

Maybe, Mr. Speaker, the government should look into the real benefits and the real advantages of the subsidization. I understand the subsidization goes to the power distribution system in Labrador. I understand there is really no subsidy to Newfoundland, other than to industry. We certainly do not want to undermine industry in this Province but, out of the subsidization that the minister talks about, very little, if any of that money, goes into helping the consumer reduce the electrical costs and the price of home heating fuels. It does not go to the consumer. Let us not let the minister get away with that. The subsidization does not affect the vast majority of consumers in this

Province. It goes to industry, except on the Coast of Labrador. Certainly goodness, we agree with that. But, let us not let the minister try and get away with hypocrisy, trying to make the people of this Province believe that the government is subsidizing the cost of home heating fuel and electricity to the consumer, because they are not doing that. Mr. Speaker, maybe we need a further study of what the government is doing with the subsidies and maybe they can be directed more to the consumer.

Mr. Speaker, having made these remarks I want to say that for the poor of this Province, for the unemployed, for those on fixed incomes, and particularly for our senior citizens who, as I said before, are finding the pinch and the bind of the rough economic times in which we live, brought on, in the main, by the cost of home heating fuels and electricity, I, for these reasons, and for many more that I did not have time to get into, support this resolution.

Thank you, Sir.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Forest Resources and Lands.

MR. SIMMS:

Mr. Speaker, I want to speak for a few minutes in this particular debate. I have been trying with the greatest of difficulty to follow the debate as it has gone back and forth across the House. I must say it has been extremely

difficult for a number of reasons, which I will get to.

The member for St. Barbe (Mr. Furey), who introduced the resolution on behalf of the member for Fortune - Hermitage (Mr. Simmons), from what I could gather, said very little other than make a political speech, and he tried very hard, on the backs of the consumers in the Province, to score some very cheap political points.

Now the member for St. Barbe, of course, as we all know and have observed over the last year in this House, since he became a member, is trying very, very hard to become known as a great orator. But, Mr. Speaker, I think, an orator needs to have some meat.

MR. DECKER:

You never will be one.

MR. SIMMS:

This hon. member is not attempting, this hon. member is not even trying.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. SIMMS:

Since the member for the Strait of Belle Isle (Mr. Decker) has interjected here, we all see his great oratory abilities shine every time he speaks in this House, his evangelistic background comes out and he does it well but, like the member for St. Barbe, he never says anything. And that, Mr. Speaker, has been the problem in the debate.

The member for Port de Grave (Mr.

Efford), now there is a gentleman who certainly did not have much meat in his presentation, unfortunately. His speech too was filled with political rhetoric and with no facts at all, again, just trying to score some cheap political points.

On the other hand, Mr. Speaker, of course, on this side of the Legislature, where you generally see some well reasoned arguments put forth by those who speak, we had the Minister of Consumer Affairs (Mr. Russell) who speak in the debate following the introduction of the resolution. Mr. Speaker, his speech contained, without any question, all kinds of details and all the facts in response to the questions raised by members opposite, not only today in the resolution, but, of course, they tried to score political points on it over the last number of weeks and at every opportunity they have been able to come up with.

MR. FLIGHT:

This will go to The Advertiser.

MR. SIMMS:

Well, the hon. the member for Windsor - Buchans (Mr. Flight) can be certain that this will go to The Advertiser but I certainly will not need his help. I am anxiously looking forward to his contribution to the debate and I will see that his goes to The Advertiser as well.

Now, with respect to the contribution made by the member for St. John's North (Mr. J. Carter) I think the member for St. John's North deserves a standing ovation.

MR. OTTENHEIMER:

Hear, hear!

MR. SIMMS:

I thank the Minister of Intergovernmental Affairs (Mr. Ottenheimer) who is always solidly behind his colleague.

But the member for St. John's North, Mr. Speaker, took the interest, as he pointed out, to appear before the Public Utilities Board on his own and at his own intuition and made some sensible, certainly interesting submissions to the Public Utilities Board and showed, therefore, his interest in this whole issue. I think the hon. member for St. John's North should be commended for taking that initiative.

MR. FUREY:

He did that on his own intuition.

MR. SIMMS:

I said initiative did I not?

AN HON. MEMBER:

No.

MR. SIMMS:

Initiative, for Hansard, I meant initiative, all right. The hon. the member for St. Barbe (Mr. Furey) wants to make a big deal about it.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Hickey):

Order, please!

MR. SIMMS:

Mr. Speaker, I want to get now to the member for Bonavista North (Mr. Lush) who was the next contributor to this debate. Mr. Speaker, I usually enjoy immensely listening to the member for Bonavista North. I usually listen to him. He started off so unlike himself, by the way, so unlike the member for Bonavista North. He

started off by attacking the member for St. John's North. Now that is not at all like the member for Bonavista North and I was extremely disappointed in that approach. He said when the member for St. John's North speaks his speaking does not arrest him, or does not get his attention. Now, Mr. Speaker, I have to admit that I feel exactly the opposite when I hear the member for Bonavista North speak because usually his speeches do arrest me, do grab my attention but that is usually, Mr. Speaker. Now in this particular debate, unfortunately, that did not happen today. The hon. member was extremely disappointing, he was very boring, his speech, like the other members opposite, was filled with political rhetoric and, contrary to the point he was trying to make, Mr. Speaker, he certainly was emotional rather than factual and logical. That is very, very unfortunate. In fact, Mr. Speaker, it smacked of the typical Liberal laissez-faire kind of approach to politics, since he used a few quotes early in his speech. That position being, let everything stay as it is, let others take away our resources and do nothing for the Province. Now, Mr. Speaker, I am disappointed about the contribution made by members opposite in this particular debate. They have failed to put forth any logical or legitimate arguments whatsoever with respect to the issue at hand. The member for Bonavista North spent half of his fifteen or twenty minutes reading the resolution.

MR. LUSH:

Well, how can you understand it otherwise?

MR. SIMMS:

Mr. Speaker, if the hon. member

would like I will read it again to him if he wants.

MR. DECKER:

Speak to it.

MR. SIMMS:

I will speak to it.

AN HON. MEMBER:

When.

MR. SIMMS:

The hon. member should be patient. That is one of the faults of hon. members opposite.

MR. SPEAKER:

Order, please!

MR. SIMMS:

Mr. Speaker, I will use my twenty minutes as I see fit. I want to make a major concession here for members opposite. This resolution does in fact contain a number of good points based on common sense, I suppose, and we can all say that despite our political affiliation but I think in fact that we have already addressed the points contained in the resolution. I think we can address the overall thrust of the resolution without taking into account partisan feelings. That is the approach I would like to take in the debate on the issue. Mr. Speaker, in using that approach, I would hope the hon. members opposite will let me say my piece, let me have my say without attacking me and interrupting me.

I also want to suggest in passing, if I might, Mr. Speaker, that this type of resolution, I think, which gives us an opportunity to debate in a really meaningful way issues that affect people and their every day lives could possibly be brought forth more frequently so that we can get away sometimes

from the partisan political bickering that often occurs in debating resolutions in this Legislature. I would like to see that approach continue. That is my own personal feeling.

Mr. Speaker, the issue deals with a significant drop in world oil prices and when that is looked at in the perspective, I guess, of a homeowner who is faced with high bills for electricity or the operator of a vehicle who is obliged to pay what we all consider to be, perhaps some of the highest prices in Canada for gasoline, the drop in the world prices would, at the outset, I suppose, appear to be a very welcome development.

Now, Mr. Speaker, all hon. members though are aware that there are a number of barriers that exist between a drop in world oil prices and a reduction in the daily retail cost of energy. There are a lot of barriers that exist. It is not a simple and easy situation. It is a complex situation.

The argument that we most frequently hear, of course, is the one that was touched on by the member for St. John's North, in that, there are existing stocks which have been purchased already for much higher prices in the first place and they have to be used up before the cheaper products become available. At the same time, Mr. Speaker, I think it is our responsibility - and by our responsibility I mean not just those elected on the government side but I mean all elected members of this hon. House - to make sure that the general public does not lose whatever benefits that are or should be available as a result of it. This is not an

easy task, Mr. Speaker, but it is one that I think we can address ourselves in several ways. Since this is one of the first parts of the resolution, in terms of the resolve portion of it at least, where it says, "BE IT THEREFORE RESOLVED that government commit itself to passing on, as they occur, the full benefits deriving from the decline of world oil prices to reduce the cost of gasoline and home heating fuel and electricity to Newfoundland consumers," I can say, Mr. Speaker, that this government is, in fact, already acting on those fronts, especially that portion of the resolution that deals with ensuring that the government commit itself to passing on, as they occur, the full benefits. We are, as a government, already acting in that particular capacity, Mr. Speaker, and that is a responsibility that we have undertaken and have had ongoing for a long period of time. We are committed, Mr. Speaker, as far as humanly possible at least, to making sure that those benefits are not unduly delayed in filtering down through the system.

MR. FUREY:

Did you say that was one of the arguments?

MR. SIMMS:

I said that is one of the favoured arguments. I alluded to one of the arguments that has been made.

AN HON. MEMBER:

By whom?

MR. SIMMS:

By several people. The member for St. John's North is one I quoted a few minutes ago.

Mr. Speaker, it is difficult really and if you are realistic

about the thing and try to be non-political about it, to say exactly how long we can realistically say that our own local energy prices will reach the point where they directly reflect the low price in world oil prices or the rock bottom prices in world oil prices, if you want. That is difficult. We have got to keep in mind, Mr. Speaker, that these prices, of course, are not going to remain at rock bottom level for all time. That is a very important consideration. These prices will not remain at rock bottom level for all time. Let us just take for example a very current event. If events in Libya should escalate, for argument sake, we can be certain that oil prices and gold prices, along with a lot of other commodities, are certainly going to start to climb because the companies will begin stockpiling their supplies. Mr. Speaker, if one thinks for a minute just what would happened to oil prices if the Libyan oil fields are closed down because of the fighting that we presently see, you might be able to put it in another perspective.

The countries of France and Italy, for example, get most of their oil supplies from Libya and if that source of supply was cut off from them or even if there was a threat to cut off that source of supply, Italy and France would have to start buying massive amounts of oil elsewhere in the world. This would likely lead, at least in my opinion, and perhaps in very short order, to rising prices which, in turn, would fan panic buying, if you want, or increase panic buying among other oil importing countries. We are not on solid ground as far as oil prices are concerned one way or another, Mr. Speaker. In fact, the level of

oil prices is so shaky at the present time that major changes could probably occur almost within hours.

There can be no doubt that this government is prepared to do all that it can to make sure that the benefits of reduced costs are passed on to the consumer. This means that we have already and we will continue to watch closely to see that any reduction in the cost of gasoline, heating oil or hydro electricity generated in thermal and diesel plants is passed on through the system in a way that will help ease the burden of the citizens of this Province.

Mr. Speaker, I want to say also, with respect to the second part of the resolution, the hon. member for Bonavista North (Mr. Lush) asked about this. It says, "BE IT RESOLVED that government specifically renounce any intention to take up, in whole or in part, any benefits to the Newfoundland consumer, by way of taxation, resulting from the decline in world oil prices."

Mr. Speaker, I think we have already given that assurance to everybody in the Province by way of the recent Budget introduced by my colleague the Minister of Finance (Dr. Collins). We will not take any benefits that may accrue to consumers as a result of the lower oil prices. I will also remind them that just prior to the Budget, Mr. Speaker, there was a reduction in the provincial gasoline and diesel tax outlined and announced by the Minister of Finance so, I think, it is therefore obvious that we have already complied with one of the main points of this resolution. It is very obvious to all members, including the member for the

Strait of Belle Isle (Mr. Decker).

With respect to part three of the resolution, which asks for an investigation to be undertaken to determine the benefits resulting from the decline, so on and so forth. We have already investigated whether in fact the full benefits of lower oil costs are being passed on to the consumer. The Minister of Consumer Affairs (Mr. Russell) has, on a regular basis, made reports to this House, indicated in response to questioning and said publicly himself through press releases and whatever that we are in fact doing that. We have been doing it, as a matter of fact, as sort of an essential thing on a regular routine basis. At the same time, Mr. Speaker, we do acknowledge that the resolution points out the need for that type of action and that now gives us an opportunity during this debate to make sure that the public knows if the job is being done.

Mr. Speaker, it is also a good time during this debate to make sure the public is aware of our views, amongst other things, I guess, on helping the consumer in this Province with energy prices. Anybody realistically would have to say it is very difficult to do anything. Your hands are practically tied when the prices are at their highest unless, of course, you are going to inject a massive amount of public funds. That is a dilemma that we face and the dilemma that we are in.

In any event, Mr. Speaker, I only have a few minutes left but in all the references to taking action to help the consumers there is obviously going to be a time lag but we are doing everything that we possibly can. It also would be

easy to say, Mr. Speaker, yes, we have acted very fast in response to the lower world oil prices, but that could be misleading if we did not already point out also that there is existing stocks, or there was existing stocks at the beginning of much more expensive oil that must be sold before the prices can drop.

Mr. Speaker, when talking about how we are trying to make some consumers receive the proper benefits, we should not pass over lightly the operational difficulties that lie in the way of achieving that particular objective. It is not easy. But, Mr. Speaker, there are some pressures that can be exerted, there are some implied pressures that can be exerted and I think I can safely say that the government will exert those pressures or use those means whenever it is possible. But the point is, Mr. Speaker, that there are some difficulties with it but they can be overcome. However, you need the understanding, of course, of the general public and members opposite.

Mr. Speaker, as for the suggestion in the resolution that we study the home heating and energy costs faced by those on fixed income, this is something, as I said in my introductory remarks, that is ongoing within government all the time. The Departments of Consumer Affairs, Social Services and Health, are all involved constantly monitoring the programmes and doing whatever it can within its power and, of course, within its ability to pay.

So just in concluding, Mr. Speaker, let me say that the main thrust of the resolution to ensure that the benefits go down to the

consumer as quickly as possible is one that we can agree with simply because it has already been met by government. It has a lot of merit in its main points but it is, in fact, really a redundant motion because it has already been acted upon. I shall conclude by suggesting, Mr. Speaker, that there is no need for the resolution.

MR. SPEAKER:
Order, please!

MR. BAKER:
Mr. Speaker.

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

MR. BAKER:
Thank you, Mr. Speaker. I am very pleased to support this particular resolution. I would like to say to the Minister of Forest Resources and Lands (Mr. Simms) that at the beginning of his speech I did not quite expect what he finally came up with.

I would like to congratulate the member for Windsor-Buchans (Mr. Flight) who pointed out to the Minister of Forest Resources and Lands (Mr. Simms) that he was going to provide The Advertiser with a copy of his speech and immediately the minister changed his whole tone and got on to something resembling some common sense. So I really thank the member for Windsor-Buchans for producing a fairly sensible speech from the minister.

The minister says that the resolution makes good points and I agree with him. He says that it leads or should lead to good debate and I also agree with him there. He says that he would like to see more resolutions like this

one more often so that we can have good solid debate in the House of Assembly and I also agree with that. The resolution is, in fact, a good resolution and I cannot for the life of me, I cannot even imagine, I cannot even begin to think about the conditions under which the Minister of Forest Resources and Lands could bring himself to dare vote against a resolution that the thinks so highly of.

MR. SIMMS:
It has already been done.

MR. BAKER:
It is also rather confusing. There is no doubt in my mind, Mr. Speaker, where members on this side of the House stand when it comes to this resolution. I have no doubt at all, no doubt in anybody else's mind that members on this side of the House believe that we should make sure that we provide the basic necessities of life for the people of this Province at as reasonable a price as possible, that there are certain basic necessities that are needed by people and that these be provided as cheaply, as economically, at as low a cost as possible. There is no doubt in my mind that everybody understands where members on this side of the House are coming from, however, when I look at members opposite and I consider the last two speeches that were given, I tend to get confused.

The front bench minister claims the resolution is good - as I have quoted him - in a number of ways and he agrees with the propositions of the motion. The member for St. John's North started off by calling it sleazy, a sleazy resolution. What a difference!

MR. LUSH:

That is what he called the resolution?

MR. BAKER:

That is what he called the resolution.

MR. LUSH:

I thought he called himself that.

MR. BAKER:

No, no, he called the resolution sleazy. Now compare that, Mr. Speaker, with the words of praise from the Minister of Forest Resources and Lands. It is confusing to me. What is the position of members opposite? They are always confusing like this; one member gets up and says one thing, and another member gets up and gives a completely different point of view. Granted the second member who spoke, the hon. minister, was threatened by the member for Windsor - Buchans with exposure of his speech in the Advertiser, and that is probably what prompted it. But it is confusing.

The member for St. John's North did offer a suggestion. After he talked about how sleazy the resolution was, he offered a suggestion that would provide the solution to our problems in this regard. I am sure the Minister of Finance must have been listening in the backroom, must have been an avid listener, must have had his ears pealed, to the suggestion from the member for St. John's North.

DR. COLLINS:

You keep your ears cocked, and your eyes pealed.

MR. BAKER:

No, no. I would suggest the hon. member probably kept his ears

pealed. He must have been really interested in this particular suggestion, the Minister of Finance, because presumably he understands the financial implications of measures changing prices and so on. The thing that surprises me, if this is such a tremendous idea, is how come he has not gone to the frontbench members and put forward his proposition in terms of a solution to the energy situation in the Province, the high cost of electricity in the Province.

The member for St. John's North put forth a suggestion and he dealt with it in a little bit of detail. Although he managed to talk for eight or ten minutes, for three or four minutes of that time he was expounding his position as to how to solve the problem. The Minister of Finance, I presume, knows what he was talking about.

DR. COLLINS:

He has a very innovative mind.

MR. BAKER:

A very innovative mind, yes. His suggestion, in case the Minister of Finance was either in his office doing some work at the time or quietly dozing or having a chat with some of his colleagues, was to change the rate structure and this would be the solution. What you do is you start off by charging the smallest amount for the first kilowatt hours used by consumers and as consumers use more and more kilowatt hours, the charge per kilowatt hour goes up. His theory is something like this, that this would mean that people would be more careful with electricity, would tend to conserve electricity more, turn off their lights and all this kind of thing, would perhaps tend to move away from electricity,

because the more they burn the cost increases per kilowatt hour, and that this would really be a solution to our energy problem.

I am sure the Minister of Finance would be anxious to look into that particular suggestion and see if the member for St. John's North does not have a point here. The Minister of Finance (Dr. Collins) suggests he is an innovative thinker.

DR. COLLINS:

The Minister responsible for the Petroleum Directorate (Mr. Marshall), that is his responsibility.

MR. BAKER:

All right. But he is not here now. You happen to be one of the kingpins who happen to be in the House while I am speaking, so I am using you as a hallowed messenger to carry the message to save the consumers of this Province, carry the message to the people who have control, who sit over there.

I have some questions that I am sure the Minister of Finance would take into consideration, and the Minister in charge of the Petroleum Directorate. If, for instance, you charge higher rates the more electricity is consumed, what is that going to do to our big consumers of electricity? What effect is that going to have on businesses that rely on large amounts of electricity? If this is the scheme we are going to bring into the Province, then, obviously, we have to consider the effect on these high consumers of electricity. Would it mean that something would have to close down? Would it mean that we would be, in essence, driving business out of the Province?

I do not know, I am just posing those questions. Members opposite should be groping for any suggestion that would have an effect on consumer prices in this Province.

Anyway, that is enough time on the member's suggestion. I suspect there are some very serious flaws in it. For instance, if 50 per cent of the cost of hydro in this Province is, in fact, interest payments for structures that have been constructed or are going to be constructed, what effect would that have on these structures and would we, in fact, be able to meet our interest payments? These are questions the minister can deal with.

Because of limited time right now - I have a minute or two left - I would like to mention one more point before I adjourn debate, and that is that the effect on senior citizens has been mentioned by a couple of members. Now my colleague, the member for Bonavista North (Mr. Brett), suggested that perhaps the high cost of electricity was driving senior citizens to institutions, in some cases, because they have large homes, they were using a lot of electricity, the costs were high and, therefore, they could not afford to heat their homes properly. I suspect, to a large extent, that is happening in this Province.

But the point I would like to make in concluding today, Mr. Speaker, is that while this is happening, while this pressure is indeed coming on this one class of fixed-income people, there is nowhere for them to go, there is no institution for them to go to. And this is the sad part of it. This is the horrible side of this

thing. If there were places, smaller units for them to go to, it would not be as serious, perhaps. The serious problem right now is that there are no places for them to go, as the Speaker knows. The units that were originally intended for this are now being changed to chronic care units, because this is seen to be a bigger need, and there is now in this Province a tremendous void in housing in the sense of small places for people on fixed incomes and people who cannot afford to heat large homes.

Mr. Speaker, I would like to adjourn the debate.

MR. OTTENHEIMER:
Mr. Speaker.

MR. SPEAKER:
Order, please! The hon. the Minister of Intergovernmental Affairs.

MR. OTTENHEIMER:
Before the Speaker adjourns the House, I would like to draw to the attention of hon. members that with respect to the Estimates Committees tonight, in the House of Assembly, the Resource Services Committee will be meeting at 7:30 to consider the estimates of the Department of Forest Resources and Lands; in the Colonial Building, at the same time, the Social Services Committee will be meeting to consider the estimates of the Department of Social Services. Tomorrow morning the Social Services Committee will be continuing in the Colonial Building at 9:30, and the Resource Services Committee will be meeting in the House of Assembly for the Department of Fisheries. Tomorrow afternoon it is government's intention to call legislation, starting with The Companies Act

and, when that is concluded tomorrow or whenever, to continue with other legislation from the Department of Justice.

MR. FLIGHT:
What department is the Social Services Committee considering tomorrow morning?

MR. OTTENHEIMER:
Well, tonight it is the Department of Social Services.

MR. FLIGHT:
And tomorrow morning?

MR. OTTENHEIMER:
That we do not know. I suppose these are just estimates that the Chairman can make. So he has not presumed, I guess, going by past experience. Thank you.

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

It being 6:00 o'clock on Private Members' Day, I do now leave the Chair until tomorrow, Thursday, at 3:00 p.m.