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Speaker: Honourable Thomas Lush

Thursday

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29 June 1989

The House met at 2:00 p.m.

MR. SPEAKER (Lush):
Order, please!

Statements by Ministers

DR. GIBBONS:
Mr. Speaker.

MR. SPEAKER:
The hon. the Minister of Mines and Energy.

DR. GIBBONS:
Thank you, Mr. Speaker.

I am pleased to announce today that the Province is now proceeding to the implementation stage with a major project previously approved under the Canada-Newfoundland Offshore Development Fund, namely the Marine Offshore Simulator Training and Research Centre.

This Research Centre is a \$12.8 million project which will be built as an extension to the Institute of Fisheries and Marine Technology in St. John's. It will include the most technologically advanced shiphandling simulator in the world as well as a ballast control simulator, both of which will help strengthen the Institute's reputation as a world class marine training and applied research centre.

This facility will enable the Marine Institute to provide basic and advanced training in a variety of marine and offshore environments and will position Newfoundlanders to compete more effectively on a national and international level for offshore related employment. Enhancement of safety in the offshore

environment was a major factor in support of this project. In particular, the acquisition of a ballast control simulator addresses a major recommendation of the royal commission on the Ocean Ranger Marine Disaster that offshore drilling personnel be exposed to this type of training wherever possible. Recent international shipping disasters such as those which occurred in Alaska and off the coast of Maine are direct testaments to the need for greater and more sophisticated training in this area as a whole, and I am pleased to inform all hon. members of this House that the new facility to be established will play a significant role in meeting these needs on an international basis.

The Centre will also facilitate applied research relevant to offshore operations, including handling and anchoring techniques associated with floating production platforms. Finally, I should mention that this proposal will give Canada its first full-mission bridge and ballast control marine simulator. This facility is expected to dominate the world market for many years by virtue of its technologically advanced features.

Today, Mr. Speaker, the Province officially awarded the principal contract for this project, involving the supply and installation of the simulation equipment, to a consortium of companies led by Krupp Atlas Elektronik Ltd. of Germany at an approximate value of \$10 million. This was the lowest bid received for this project and I am pleased to advise the hon. House that Newfoundland firms will form a major and important part of the consortium, with a minimum of 45

per cent of the work to be directed to 12 local companies led by the BAE Group. This work has an estimated value of \$4.2 million. Substantial new technology pertinent to the marine simulation industry will also be transferred to Newfoundland firms which, in turn, will position them to capture future 'High-Tech' work of this nature. Krupp Atlas Elektronik Ltd. is among the world's leaders in the marine simulation industry and their expertise and track-record in maximizing local technology transfer and other industrial benefits augurs well for the Newfoundland firms involved.

In summary, Mr. Speaker, the establishment of this Centre will result in the provision of education, training and applied research capabilities of international stature and will further strengthen the Province's reputation as a centre of excellence in ocean science and technology.

SOME HON. MEMBERS:
Hear, hear!

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

MR. RIDEOUT:
Thank you, Mr. Speaker.

First of all, let me thank the minister for providing us with a copy of his statement beforehand. We certainly appreciate it. Let me add, as well, that the minister is in a position to make this welcomed announcement today for two reasons: First of all, because there was a Canada-Newfoundland Offshore agreement and, secondly, because the previous government decided

that this new technology should be brought to Newfoundland and Labrador under the agreement. It is a very welcomed statement, Mr. Speaker, and we are delighted that the contract has been awarded and we are delighted, as well, to see so much Newfoundland content. Forty-five per cent of the net worth of this contract is made up of Newfoundland firms, which means that not only will there be employment for Newfoundlanders and Labradorians generated as a result of the project, but, more importantly, or equally as important, there will, perhaps, be a transfer of technology from Germany, in this particular case, to Newfoundland and Labrador. We are delighted that the contract has been awarded under the Canada-Newfoundland offshore agreement.

SOME HON. MEMBERS:
Hear, hear!

Oral Questions

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

SOME HON. MEMBERS:
Hear, hear!

MR. RIDEOUT:
Mr. Speaker, I would like to refer the hon. the Premier to Section 4, subsection (3) of The Conflict Of Interest Act. For the benefit of the Premier, since he likes to ensure that you do not just paraphrase things, I would like to read that particular section. It says the following, Mr. Speaker: "Subject to subsections (9) - which has to do with the confidentiality of information provided - "and (10)" - which

allows the Cabinet, the government, to make regulations, Mr. Speaker: "Subject to subsections (9) and (10), a disclosure statement by a Member or public employee shall specify each and every interest required to be specified therein by subsection (9)" - which is the section we dealt with yesterday - "and each and every other interest which, to his knowledge, such Member or public employee, his spouse or any of his minor children has or will acquire as a result of which there is a possibility of a conflict between such interest and his position as a Member or public employee, including, but without limiting the generality of the foregoing, any financial interest which such Member or public employee, his spouse or any of his minor children has in any company, firm, or body which has done, does or might do business with the Government..."

Then, just in case this Section of the Act is not clear, Mr. Speaker, it goes on to define what 'interest' is. "'Interest' includes" - let me refer the hon. the Premier to Section (c) of that Section - "any loan made by the Member or public employee to any such company, firm or body and any other indebtedness no matter how secured of such a company, firm or body to the Member or the public employee."

Now, Mr. Speaker, let me ask the Premier this: In view of the fact that the Minister of Health (Mr. Decker) disclosed in his conflict of interest statements that he owns 98 per cent of Roddickton House, and in view of the fact that there exists a mortgage between Roddickton House and Caudelle Manor Limited, is the

minister not directly in violation of this particular section of The Conflict Of Interest Act?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

No, Mr. Speaker, not in my judgement, but that is not a final answer on it. I do not have the ultimate answer to everything. The Act is fairly precise. The minister has disclosed his ownership interest in the company, the shares are listed. The mortgage to which the hon. the Leader of the Opposition refers is registered, it is a matter of public record in the Registry of Deeds. I assume that is where the hon. the Leader of the Opposition got a copy of it. He would have no trouble going and looking to the Conflict of Interest Statement filed by the hon. minister and seeing that he owns shares in some company called Roddickton House Limited. Let us see what Roddickton House Limited owns in property - no trouble, go search the Registry of Deeds, and he sees all of the registered financial interests. It is there to be seen so there is no failure to disclose. And in terms of the precise wording of the Section, there is no problem with it. The member has disclosed everything that he has. The company has a financial interest in a mortgage. It is interested in having its mortgage debt repaid, the company that the minister owns 98 per cent of the shares of. That company has a mortgage given by another company which does business with the company. That Section does not require the member to name the mortgage specifically, not in any manner. I have also sought other legal advice on it and that has been confirmed. So I have no

quarrel with it.

MR. RIDEOUT:

Mr. Speaker, this is unbelievable.

MR. SPEAKER:

Order!

The hon. the Leader of the Opposition.

MR. RIDEOUT:

The Premier so piously preaches right, and we have to do things right. Well, here is a law of the land saying that a loan made by any individual - I just read out the section.

PREMIER WELLS:

What individual?

MR. RIDEOUT:

In this case the Minister of Health, I say to the Premier. And when is the Premier going to demand that the Minister of Health disclose his interest in this company as he should under the law of the land?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

The Leader of the Opposition can rant and rave all he wants, he cannot change the wording of the act.

MR. RIDEOUT:

It is the law.

PREMIER WELLS:

Yes, it is the law. It is clearly the law, and if the minister is in breach the minister will be charged the same as the hon. the Leader of the Opposition would be charged if he were in breach. If

there is a legal opinion that he is in breach, I have no quarrel with it. He has to answer for it the same as everybody else does, and that applies to me, it applies to the Leader of the Opposition, it applies to the Speaker, it applies to every minister in this House. And if I fail to comply with the law in my reporting, I must answer.

MR. RIDEOUT:

He answers to you as a minister. What are you going to do about it?

PREMIER WELLS:

If he has not been in breach, I am not going to do anything. If he has been in breach of it, and is charged or found to be in breach of it -

SOME HON. MEMBERS:

Oh, oh!

MR. RIDEOUT:

Who decides that?

PREMIER WELLS:

Not by the determination of the Leader of the Opposition, because he can rant and rave all he wants, he does not change the wording of the act. And I will read the wording of the act. The wording of the act is very clear.

MR. RIDEOUT:

Just read it.

PREMIER WELLS:

He read it and then he misinterpreted it.

SOME HON. MEMBERS:

Oh, oh!

MR. SIMMS:

You are going to read it and interpret it, too.

PREMIER WELLS:

No, no. The courts are the ones who will determine it.

MR. SPEAKER:
Order, please!

I gave the Leader of the Opposition a lot of leeway in asking the question, and I understand there were no interruptions over here. He asked the question and now I think the Premier should be afforded the same courtesy with the answer.

The hon. the Premier.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
Thank you, Mr. Speaker.

I say to the Leader of the Opposition it is open to him to walk down to the police station now and lay an information.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
Please do so. If you feel you are right, you have that right, do it, exercise it.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
Stop trying to smear people unfairly.

SOME HON. MEMBERS:
Hear, hear!

SOME HON. MEMBERS:
Oh, oh!

MR. TOBIN:
What did you do to John Collins?

MR. MATTHEWS:

What a hypocrite.

PREMIER WELLS:
We told the truth about it.

Now the financial interest which must be reported under Section 3, is the financial interest owned by the member. The member has filed in his return that he owns 98 per cent -

MR. RIDEOUT:
Or company.

PREMIER WELLS:
No, no, no.

MR. RIDEOUT:
Yes.

PREMIER WELLS:
I will read it. "Subject to subsections (9) and (10), a disclosure statement by a Member or public employee shall specify each and every interest required to be specified therein by subsection (9) and each and every other interest, which to his knowledge, such Member or public employee, his spouse or any of his minor children has or will acquire as a result of which" - now this is the minister will acquire - "there is a possibility of a conflict between such interest and his position as a Member or public employee, including but without limiting the generality of the foregoing, any financial interest with such Member or public employee" - now this is a member - "his spouse or any of his minor children has in any company" -

SOME HON. MEMBERS:
Oh, oh!

PREMIER WELLS:
Just a minute. Let me finish now.

- "which has done..."

Now, the company, firm or body which has done business with the government is Claudelle Manor. The minister owns no interest in Claudelle Manor. His interest is in Roddickton House.

SOME HON. MEMBERS:

Do not be so foolish.

MR. RIDEOUT:

A \$75,000 mortgage.

PREMIER WELLS:

You can rant and rave and shout if you wish, but there is the proper answer to it. If the hon. the Leader of the Opposition has any level of confidence in the aspersions which he is casting on the hon. minister, then I invite him to go to the nearest police station and lay an information and let the courts decide.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Mr. Speaker, let me say to the Premier that the Chief of Police did not put the member for the Strait of Belle Isle in Cabinet, the Premier did, and it is up to the Premier to deal with it.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

If I want questions asked of the Chief of Police, bring him before the bar of the House and we might do that that way.

Now, Mr. Speaker, let me say to the Premier, since this company, Claudelle Manor Ltd., in which the Minister of Health has a financial

interest as defined by the act, does business with the government to the tune of \$12,640 a month, does the Premier consider that to meet his standard of conduct and does he consider that to live up to his billing, that not even a potential conflict of interest can exist under his leadership?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, if the hon. the Leader of the Opposition had stated the facts accurately, I would say yes. But the minister does not have a financial interest in Claudelle Manor Ltd. He has the financial interest in Roddickton House Ltd. and he has reported that and filed it on his conflict of interest statement. Any member of the media, any member of the public, any member of the Opposition, as the Leader obviously did, can go to the Registry of Deeds and search and see what deeds or lands or any other interests there are, and it is open to him to do that.

If I thought for one minute that what the Leader of the Opposition is saying is right, I would go to the police station and have an information laid.

MR. SIMMS:

All you have to do is flick him out.

PREMIER WELLS:

I invite the member to do it.

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

To the Premier: Since every taxpayer's dollar, all \$151,680 in a twelve month period, is paid directly by the Department of Health to a company in which the Minister of Health has a financial interest, a \$75,000 financial interest, and therefore that \$75,000 interest has been repaid partly out of taxpayers' money, does the Premier still agree with his minister that to allege that a conflict of interest is apparent is, to quote him, 'to stretch the imagination'? Does the Premier agree with that assessment?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, the thing that is wrong in what he says is saying the minister has a financial interest in Claudelle Manor. His financial interest is in the company, Roddickton House Ltd. Now, he owns 75 per cent of that company, and the company sold its senior citizens' home to Claudelle Manor, and Claudelle Manor did not have adequate money, apparently, to pay the full purchase price, so it agreed to pay it over a period of time. When I invited the minister to join the Cabinet, the minister told me of this. I would sooner that it was not there. Does it put him in conflict? Does it make it impossible for him to do his tasks?

MR. TOBIN:

Yes! Yes! Yes!

PREMIER WELLS:

No, I do not think so.

The members, when they sat over

here, said it was alright for Dr. Collins to hold a 25 per cent interest in Terra Nova Investments, and not only let the existing lease run out or let the existing mortgage be paid that existed prior, but to continue to negotiate new leases with the government.

SOME HON. MEMBERS:

Hear, hear!

PREMIER WELLS:

The same members sitting opposite, not only did they say it was alright to let it run out, which is what they are now complaining about, but it is alright to re-negotiate again. The same members opposite put forward their bold new standard. In June of last year the then Premier, Mr. Peckford, announced and tabled their new standard. Now they are going to change it. Not only could the ministers, by their new standard, do it with the approval of the Premier, it was alright for any minister to be in a Cabinet and have the Cabinet do business with a company in which the minister had a 49 per cent interest, as long as the minister did not have control. That is their standard. I say that is not the right standard, and that is why it should be changed. This is the standard that is in the new draft legislation that was tabled in June of last year, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

PREMIER WELLS:

Mr. Speaker, what has happened with the Minister of Health, with the Minister of Justice, with the Minister of Forestry and Agriculture, and with myself, all of us are in the process of disposing of all of the financial

interests we have so that there cannot be any. This has been made clear to the public. The interests have been made clear. Everybody knows what they were. Everybody knows what my financial interests were, it was debated at length in the House, but I am still disposing of them because it is just too big a nuisance to sit and listen and be berated constantly by the hon. members opposite trying to score cheap political points, at which they are failing in an abject way.

SOME HON. MEMBERS:
Hear, hear!

MR. RIDEOUT:
Mr. Speaker.

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

MR. RIDEOUT:
Mr. Speaker, what is obvious today to every Newfoundlander and Labradorian is the double standard, the Walking Contradiction, the Premier. That is what is obvious.

SOME HON. MEMBERS:
Hear, hear!

MR. RIDEOUT:
It was wrong when he was over here but now he is over there it is alright. Let me ask the Premier, since every time the government increases the per patient subsidy to those personal care homes, the government is in effect making more secure the financial investment of the Minister of Health, can the Premier tell the House whether he is prepared to tolerate that kind of blatant abuse of The Conflict Of Interest Act?

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
Mr. Speaker, the new government came in less than eight weeks ago now - it will be eight weeks tomorrow - to breathe new life into Newfoundland, and new expectations.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
It was inevitable that it will take a few weeks or a few months or, in the case of the Minister of Forestry and Agriculture (Mr. Flight), prospectively even a year and a half, but he himself put a three limit on it, to divest of these interests. What they cannot do is continue or renegotiate or replace, or increase those interests. They have got to be let peter out. What would the hon. members opposite have the member do for Windsor - Buchans do? Burn the building so that he gets rid of it, if he cannot sell it?

MR. RIDEOUT:
According to your standard, yes.

PREMIER WELLS:
That does not make any sense. Should the Minister of Health tear up the mortgage or just let it peter out, or try and sell it at the earliest possible chance?

SOME HON. MEMBERS:
Yes, according to your standard.

PREMIER WELLS:
They are living up to my standard, the same standard that I asked the former Premier to deal with with respect to Dr. Collins, require the minister to dispose of the assets that caused the offense, or

the lease, or whatever, could not be renewed or the minister would have to resign. Now that is the standard that I advised. Now the members opposite are trying to make something of it because they have nothing else to offer this Province. They are not at all concerned about what is happening with the economy of the Province, or in the fishery, or anything else. They are trying to score cheap political points to demonstrate to the people of this Province that they are still really alive. But they are not making much of a dent in that.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Mr. Speaker, it normally would take a Premier and a government six or seven years to become as arrogant and as dictatorial and as shifty as this Premier has become in eight weeks, normally six or seven years.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

And, Mr. Speaker, I remember the same answers to the Opposition when we were over there, "Oh, you have nothing else to offer. Nothing else to talk about." We will set our agenda, Mr. Speaker. It is up to the Premier to live up to his standards.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Now, let me ask the Premier, Mr. Speaker: The Minister of Municipal and Provincial Affairs (Mr. Gullage) has stated categorically in this House on a number of occasions now that no funds have been approved for the Avion Players in Gander. The minister has said it publicly and he has said it to the House. The former Executive Assistant to the minister said publicly again, only yesterday, that he saw a letter from the Deputy Minister of the department saying that the funds had been approved. That is exactly what he said.

MR. WARREN:

We got a copy of the letter.

MR. RIDEOUT:

Now, I want to ask the Premier this. The Premier undertook yesterday to investigate that whole matter: Has he asked for the letter? Has he received the letter? If he has the letter, will he table it in this House?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

I have tried to reach Mr. Baird. I have not done it personally, but my staff tried to reach him this morning, and so far there has not been a response. We have left messages for him. It was later this morning; we had a Cabinet meeting and I just did not get a chance to do it until after Cabinet, but it has been done. So far I have not had a response. I am happy to see and hear from Mr. Baird at any time.

Let me tell the hon. House, Mr. Speaker, that if there had been any commitment or undertaking or approval of any funds for the

Avion Players or any other group, then it would go through Treasury Board and, in all probability, through Cabinet.

MR. SIMMS:
Not necessarily.

MR. BAKER:
Absolutely!

MR. FUREY:
That is the way we do it.

MR. SIMMS:
The department has a fund for such things.

PREMIER WELLS:
Maybe the former government did that kind of thing, we do not!

MR. SIMMS:
Who do you think is going to believe that?

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
And I can say without hesitation, unless some civil servant, acting in excess of his authority, has paid out cash or approved cash or sent a letter, without authority, authorizing the payment, it certainly has not come to Treasury Board or it has not come to Cabinet, and there is no approval at either Treasury Board or Cabinet level for such payment.

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

MR. RIDEOUT:
Mr. Speaker, the Premier knows full well that no Deputy Minister worth his or her salt would sign a letter authorizing the expenditure of funds without the approval of his or her minister.

Now, let me ask the Premier this: Has the Premier asked for the letter? Well, we will let them have a conference call, Mr. Speaker. Has the Premier asked for the letter, and if he has not, will he ask for the letter? Then, will he table it in this House?

MR. SIMMS:
Sent it back, did you not?

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
I have not asked for any letter, at this stage. I will ask if such a letter exists, and if it exists, I want to see it. But, to the best of my knowledge, Mr. Speaker, no such letter exists. I am satisfied that no approval was given, either by the minister, Treasury Board or by Cabinet. I can speak with absolute certainty for Cabinet, because I have been at every Cabinet meeting and it has not come up in Cabinet. I have not been at every Treasury Board meeting, but I accept the word of the President of Treasury Board that Treasury Board has not approved it, and I accept the word of the minister that he did not approve it. The request was made, that the minister rejected. But I will ask if there is any such letter.

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

MR. WARREN:
Mr. Speaker, I understand the Premier was questioned yesterday by a person from the media on this matter, but I have a question for the Premier. In view of the fact that a substantial amount of funds from the Ontario Liberal Party was used to assist the campaign of the

Liberal Party of Newfoundland and Labrador during the 1989 general election -

SOME HON. MEMBERS:

Oh, oh!

MR. WARREN:

I say, Mr. Speaker, to hon. members opposite, just wait until the question has been asked.

In view of the fact that the Premier of Ontario has ordered an inquiry into the scandal involving Patricia Starr's link to politicians and a Toronto developer, Tridel Corporation, and in view of the fact that it is alleged that \$86,000 in charitable funds from the Toronto section of the National Council of Jewish Women was used for political contributions, I would like to ask the Premier is he aware if any of those charitable funds were used for the Liberal Party in the election of 20 April 1989?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, yesterday, a gentleman of The Toronto Star -

MR. SIMMS:

The Toronto Star called you.

PREMIER WELLS:

He did not call me, he spoke to me directly in the scrum, and he asked the question on live television and radio. I see the gentleman sitting in the press gallery now.

My recollection of what he asked me was: 'Are you aware that this afternoon, a member of the Ontario Provincial Parliament named Garfield Warren will claim -'

SOME HON. MEMBERS:

Oh, oh!

PREMIER WELLS:

That is what he said to me. The reporter is up there nodding his head to affirm that that is what he said to me. I am reporting to the House that the reporter is in the House and hears what I am saying, and he is nodding his head to affirm that that is precisely what he said to me.

SOME HON. MEMBERS:

Hear, hear!

PREMIER WELLS:

'A member of the Ontario Legislature named Garfield Warren will make a claim in the Ontario House this afternoon that Patty Starr and the charitable foundation that she represents made a contribution to the Liberal Party for the recent political campaign.'

It caught me cold for about two seconds, because I said, 'My God, there cannot be two Garfield Warrens!'

SOME HON. MEMBERS:

Hear, hear!

PREMIER WELLS:

I soldiered on, Mr. Speaker, with the realization that truth is sometimes stranger than fiction and strange things do happen. So I responded to the reporter and said, 'To the best of my knowledge no such person ever made any such contribution.' They said, 'Well, will you find out?' I said, 'Yes, I will find out.' He said, 'Can we call you later this afternoon?' This was about four-fifteen, as I recall, or four-thirty. 'Can we call you later this afternoon?' I said, 'Give me time. We have a

government to run, a House to attend to, and I cannot run off and check this for you this very minute. But I will endeavour to do it as quickly as possible.'

As soon as I got out of the House I put in a call to the Treasurer of the Liberal Party to find out what funds, if any, came from Patricia Starr or the National Jewish Foundation. I was not able to reach him until this morning. Somebody else in my office had reached him in the meantime, obviously, and gotten to him with the question. He said, 'I am happy to report to you, Mr. Premier, there never was any such contribution made and whoever that character in Ontario, named Garfield Warren, is, he really does not know what he is talking about.'

SOME HON. MEMBERS:
Hear, hear!

MR. WARREN:
Mr. Speaker.

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

MR. WARREN:
I have here a sealed envelope. I would ask the Page to take it over to the Premier because exactly what the Premier has said is in this envelope.

Anyway, Mr. Speaker, my supplementary to the Premier is: Would the Premier advise the people of Newfoundland and Labrador if the Liberal Party of Newfoundland has received any funds from the Liberal Party of Ontario for the 1989 general election?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:
Maybe there are two Garfield Warrens.

MR. MATTHEWS:
Thank God there is only one Clyde Wells.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
There are two names on this paper, Mr. Speaker, 'Silly' and 'Stupid', so perhaps there are two after all.

I do not know what the member thinks he is doing with this kind of thing. If these are the kinds of games they want to play then I can better use the time of the public of this Province by going out to the Day Care center with the children, where there is obviously a greater level of maturity, and deal with them directly.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
Mr. Speaker, I do not know who contributed to the Liberal campaign funds. I doubt very much if the Liberal Party of Ontario contributed anything to the campaign funds of the Liberal Party of Newfoundland, but if they did I would not reject it. I would think it would show great wisdom and foresight on their part and I would not reject it. But to the best of my knowledge they did not. I do not know who contributed the funds. I cannot say whether they did or they did not.

MR. WARREN:
Mr. Speaker.

MR. SPEAKER:

The hon. the member for Torngat Mountains.

MR. WARREN:

I would suggest that the hon. Premier go out to the Day Care center but, before he goes, take off his diaper.

Mr. Speaker, I have a question for the Minister of Justice (Mr. Dicks). Would the Minister of Justice assure the people of Newfoundland and Labrador that his department will co-operate in every way possible with the Ontario Judicial Inquiry and leave no stone unturned in arriving at a - I use the word in quotation marks - 'truthful' answer, whether some of those funds from the National Council of Jewish Women were used knowingly, and to use the hon. the Minister of Justice's phrase, or unknowingly by the Liberal Party of Newfoundland and Labrador? Also would the minister advise the people of Newfoundland and Labrador if his office or his department has received or had any telephone conversations with the Department of Justice in Ontario during the last forty-eight hours concerning this same issue?

MR. DICKS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Justice.

MR. DICKS:

Mr. Speaker, in answer to the first question, yes. And in answer to the second question, no, not to my knowledge.

SOME HON. MEMBERS:

Hear, hear!

MS DUFF:

Mr. Speaker.

MR. SPEAKER:

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

MS DUFF:

I would like to direct this question, Mr. Speaker, to the Minister for Environment and Lands (Mr. Kelland), and I did tell his Deputy Minister that I would be raising it. It is a serious issue, in my view, and not an unfriendly question in that sense. The environmental impacts of the proposed Outer Ring Road, particularly the portion that goes through Pippy Park, have been the subject of growing concern in the Northeast Avalon region. Now the EIA was completed in 1988, and it is public, but many questions are being raised which people feel have not been adequately answered, and there has not, to my knowledge, been a public presentation of this document. Would the minister, in view of these concerns, agree, to prior to the start of construction to organize a comprehensive public meeting with the appropriate expertise, to outline the major findings of the EIA, the potential environmental impacts, and the recommended measures for dealing with these impacts, including the details of the environmental protection plan, and to make public the recommendations of the Environmental Assessment Review Committee?

MR. KELLAND:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Environment and Lands.

MR. KELLAND:

Thank you, Mr. Speaker.

I thank you for the question

because it is a matter of public concern. As the hon. member may or may not know, I have had a fair bit of input from various viewpoints on the matter. I do not think that I could say definitely that I have formed an opinion of my own as minister as to how we should proceed at this point, but I am still gathering some information. Mr. Speaker, I can tell the member I am leaning towards a allowing greater level or a newer level of public input into the process. But a final decision really has not been made on that. I would expect, though, that I would be able to give more detailed information within a reasonably short period of time and a public announcement will be made whether or not we will go through the public input process, which has not yet been done, I understand.

MR. SPEAKER:

Question Period has expired.

Before moving on to the next item, on behalf of hon. members I would like to welcome to the public galleries today a delegation from the Council of Marystown in the persons of Mayor Jerome Walsh, Deputy Mayor Mary Hodder and Councillor Frank Hodder and Town Manager - and this is difficult to decipher - but I believe it is Jim Mayo. In any event, we welcome all of these members of the Town Council of Marystown.

SOME HON. MEMBERS:

Hear, hear!

Notices of Motion

MR. SPEAKER:

The hon. the Minister of Finance.

DR. KITCHEN:

Mr. Speaker, I give notice that I will on tomorrow move that the House resolve itself into a Committee of the Whole on Supply to consider Certain Resolutions for the granting of Supplementary Supply to Her Majesty.

Answers to Questions for which Notice has been Given

MR. SPEAKER:

The hon. the Minister of Environments and Lands.

MR. KELLAND:

Thank you, Mr. Speaker.

I have a response to a question posed by the hon. the member for Green Bay (Mr. Hewlett). It was Question No. 36 on the Order Paper of June 14, 1989. I apologize again for the length of time it takes, sometimes, but we are fairly well burdened with our responsibilities in the various ministries. It took a little research to put it together for the member but, nevertheless, this is the response to the question in which he asked for a breakdown of the capital expenditures in the 1989-90 provincial parks budget according to park name and provincial district in which the parks reside. That was the wording of his question.

I have attached an itemized list of the 1989-90 capital expenditures by provincial park and district as requested by the member for Green Bay. I am very pleased to say that a total of \$658,000 is being expended in districts represented by Liberal members of the House of Assembly, and \$329,000 on parks that reside in districts represented by

Progressive Conservative members of the House of Assembly, and that another \$126,000 will be expended primarily on supplies for distribution throughout parks in the Province. There is a slight typing error in the sheet I will table - the actual figure is \$1,113,000.

Additionally, to the printed response which I will table, Mr. Speaker, I might add that a rough calculation by me, just as I came into the House, was that some thirty-seven parks in the Province, and that could be out one or two, but as far as I could quickly count thirty-seven parks in the Province are receiving specific funding. That is over and above, or apart from, the \$126,000 to be evenly distributed, or distributed on a need basis for supplies, and so on. Of those, it was interesting to note, twenty-two of the parks are in districts represented by Liberal members of the House, and fifteen parks are in districts represented by the PC districts.

I did a further calculation based on that, and I noted that thirteen of the twenty-two parks in districts represented by Liberals were previously in PC districts when the initial plans were made for the current year, or prior to the April 20 election. So, if we were to extend that out, I suppose, or use one form of logic, it is not so much that the public service made the total decision, but I could say the people of the Province, by their decision on April 20, really said where the money would go.

SOME HON. MEMBERS:
Hear, hear!

DR. KITCHEN:

Mr. Speaker.

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

DR. KITCHEN:
Mr. Speaker, on day 11, the member for Grand Falls asked the Minister of Finance to lay upon the Table of the House the following information: An itemized list of expenditures for any office equipment, personal equipment, furnishings and photographs purchased for the Minister's Office since May 5, 1989?

Mr. Speaker, the only equipment purchased for the Minister's Office since May 5, 1989 was a word processing system, including a printer and a Word Perfect, approximate cost \$8,100.

AN HON. MEMBER:
Where did the other one go?

DR. KITCHEN:
Mr. Speaker, in answer to Question 24, of the same day, asked by the same member to the same minister: An itemized list of travel expenditures incurred by the Minister, his Executive Assistant or any other member of the Minister's personal staff who may have accompanied him since May 5, 1989?

The answer is: The Minister of Finance has incurred no travel expenditures since May 5, 1989, and, an Executive Assistant has not yet been appointed.

Orders of the Day

MR. BAKER:
Mr. Speaker.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:
Order 2.

MR. SPEAKER:
Committee of Supply.

The motion is that I do now leave the Chair.

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

Committee of the Whole

MR. CHAIRMAN (L. Snow):
Order, please!

The hon. the Government House Leader.

MR. BAKER:
Mr. Chairman, this particular exercise involves three separate Heads, Executive Council, Consolidated Fund Services and Legislative. The Executive Council really involves two sections, the Premier's Office and his support staff, plus Treasury Board. I would suggest that we, perhaps, deal with Consolidated Fund Services first. Does it matter?

MR. SIMMS:
I suggest to the Government House Leader there is no big problem. We will just leave it open until we are finished the debate and then we will pass all of the Heads at the end of the day, if that is acceptable to him.

MR. BAKER:
Okay. Fine.

MR. SIMMS:
We may have someone come in later on with a question, you know. There is no real reason to get rid of it now.

MR. BAKER:
Fine. I wonder if the Minister of Finance, then, could do a brief comment on Consolidated Fund Services?

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

DR. KITCHEN:
Mr. Chairman, for Consolidated Funds Services, as shown in the estimates from page 5 to page 9, the total is \$456,717,200, which includes expenditures related to the Provincial debt, the major portion of which is related to interest payments and a number of other items.

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

MR. SIMMS:
Can the minister elaborate just a little bit for us in explanatory fashion? I think we require just a little more explanation than that, not only for us but for the benefit of others, the press, and so on.

DR. KITCHEN:
Mr. Chairman, the Consolidated Fund is administered by the Department of Finance, by the Comtroller General, and it lists in the estimates the borrowings of government, including the treasury bills and debentures. It looks at the amount of money that we have outstanding to Crown building corporations and various other areas, it lists the employee retirement arrangements, having to do with our pension funds for all

the various government employees, previous government employees, and so on, and it also includes our loan guarantees and things of that nature.

MR. CHAIRMAN:

The hon. the Opposition House Leader.

MR. SIMMS:

Mr. Chairman, I am not sure that this is the appropriate place to raise the question again. I know it was raised in the Estimates Committees, and it dealt with the matter of early retirement. You will recall that last year the then government afforded an early retirement program for public servants. Subsequent to that, as a result of representations by the unions. NAPE and CUPE, there was a request for government to consider extending the same program to other public servants employed in the hospital sector. At the time, government considered their request. It was on the basis of government's original plan, which was to make it a cost-saving measure. Eventually, over a three or four year period, the departments in the public service were expected to save the money by not rehiring quickly, by perhaps eliminating some positions that may have become redundant, or whatever the measures were, the intent was for a department that was going to afford early retirement to 50 employees over a three year or four year period, they would have to find that funding. But we did put the program in place. It also opened up opportunities for job advancement, new job opportunities in the public service, and so on. So it was an excellent idea and an excellent program, in my view.

But in the case of the health

sector, it was felt very strongly by the government of the day that it would be discriminatory if we did not afford the same program to public servants in the health care sector and so we, as a matter of policy, made the decision, as I recollect it, and I do not have the details with me, to extend the program to the health care sector.

AN HON. MEMBER:

Make the employees (inaudible).

MR. SIMMS:

Yes, but the same understanding, of course, applied to the departments of government when we extended the program to the public service.

AN HON. MEMBER:

Is that right?

MR. SIMMS:

Oh, yes! It is right in the Order-in-Council I would suspect.

AN HON. MEMBER:

It is not the same plan (inaudible).

MR. SIMMS:

The departments were asked to find the savings. The Minister of Finance nodded and so did the President of Treasury Board, so I think they understand it. All I am saying is that the same intent was made and meant for employees in the health care sector.

Now the difficulty is, of course, that government funds the hospitals, provides them directly with their operating grants and so on. So the hospitals had difficulty, because how were they going to find the funds? There was only one way for them to find the funds, and that is if government provided the necessary money over the period of time to

accommodate the early retirement program. That is as I understand it. Perhaps the minister, if he wants to comment, can tell me if that was his understanding and maybe he can explain why it was not able to be worked out in that way. Because, quite frankly, I think as a government we did feel it was discriminatory not to offer it to health care sector employees.

Maybe the minister could just comment on what I have said. I know that it costs money up front, there is no question about that. But was there not a way or a mechanism that could be found over a three, four or five year period, for that matter, whereby the hospitals could find the savings so that that same program could be extended to health care workers? Whether it is the Minister of Finance or the President of Treasury Board, or the Minister of Health, for that matter, who wants to comment on it, I would appreciate a comment on it, if he would not mind.

MR. CHAIRMAN:

The hon. the President of Treasury Board.

MR. BAKER:

Thank you, Mr. Chairman.

I would be glad to comment on it. The minister obviously, from what he said, understands what the program was meant to do. It was a program that was meant to be a self-financing program; over a period of three or four years, the savings within the departments was supposed to be enough to pay for the program.

There were a number of reasons for this employer initiative. It was a government initiative not a worker initiative. There were

several reasons for that government initiative. One was to reduce staff. There was thought to be some fat to be trimmed, some possible redundancy within the system, that was one reason, but there was another reason, which was to provide room for movement, as the minister pointed out, within the civil service as a morale builder. So that was the function of the plan. It was an employer initiated plan, and that is important.

The previous, previous government, I believe, made the decision to offer the same plan that government departments were taking advantage of to other agencies, and one was the health care system. The offer was made, and the response from the health care system was that they would like to take advantage of this early retirement scheme. However, there could be no savings within the system and it could not be self-financing. In other words, the problem is, and this, if I may say so, is a problem with a lot of programs when they are brought to handle a problem, in this case some overstaffing and lack of movement, but then the program that is brought in to handle the problem is then extended to other areas where the problem does not exist and we get caught up in many government programs that are misapplied.

In this case, it was pointed out to us by the health care sector that this was a misapplication, that an integral part of the program was there would be savings involved, and so on, that it would be a self-financing program, and they pointed out to us that it could not be self-financing. In other words, they could not take advantage of this initiative as

the government presented it. As a result of that, no money was put in this year's budget for that early retirement scheme for the health care sector, simply because they could not accept that program as it was. However, our position was that if, perhaps, there were some problems in the health care sector that could be addressed in this way, then we would be only too glad to work with the health care sector to develop programs that are suitable to that sector.

I do not, and the government does not, look upon this as discrimination. If there is a problem in the health care sector that needs to be addressed, we will be only too glad to sit down and come up with a program that is suited to that particular sector. It is obvious that the program as envisioned, that apparently worked so well in the other government departments - it is self-financing, provided for movement in the system - was not needed in the health care sector; there was no fat to be trimmed in the hospital structure, the Minister of Health will be glad to know, and it could not be self-financing.

I suspect that within the next month or two there will be some kinds of approaches made, there have been some tentative ones already, from sections of the health care field. There will be some approaches made, and perhaps talks and discussions will take place over the next few months with regard to their particular needs and a program that might be developed to suit their needs.

MR. CHAIRMAN:

The hon. the Opposition House Leader.

MR. SIMMS:

Thank you, Mr. Chairman.

I just want to make a brief comment on it, and my colleague, the Finance critic, has just one or two little questions, I think, for the Minister of Finance. That is about all we need to do on Consolidated Revenue.

I do want to follow through on this, because I have had some representations myself from health care workers. Of course, they, as individuals, do claim that it is discriminatory, and, I must admit, I think they have a case. I think they have a legitimate argument worth listening to. They are paid by the treasury and they consider themselves to be public servants in the health care sector. We do the negotiating. Treasury Board, the minister's department, does the negotiating.

Whilst the minister made it appear as if there was no real problem, they were going to have discussions later on and all that kind of thing, I seem to recall there were some pretty strong statements made by certain union leaderships, shall we say, with respect to this issue. So I think it would be a bit misleading, not deliberately, of course, on the minister's part, to suggest that there are no problems with it and everybody is happy and everything is hunky-dory and all that, because that is not the case. There are health care workers who are very upset with the decision by the present government not to follow through on the commitment given by the previous administration, even though the details still had to be worked out.

I guess the reality is, if the government wanted to extend the

program to the health care sector, they simply had to provide the funding to the hospitals for it to occur. That is the reality of it. So you either wanted to do it or you did not want to do it. That is the way I put it to the hon. the President of Treasury Board.

The other point is, he sort of dwelled on this issue of trimming fat, as if in the health care sector there is no fat to be trimmed. Of course, that was not the only reason nor the only purpose for early retirement, as he knows. So he should not dwell on that as being one of the reasons why it was not proceeded with. The fact of the matter is, it was still possible by offering early retirement to employees at the higher level, and when those positions then had to be filled, they would be filled at the lower end of the salary scale. That is where the saving would have occurred, and that was the argument the health care sector put forward.

The Newfoundland Hospital and Nursing Home Association, Robin Burnell's group, they certainly did not say they did not want to participate in this program. At the time we were involved in negotiations with them, they certainly did not say they did not want to participate, but they certainly made it clear that if it was going to be extended to the health care sector, then it would be up to the government, obviously, to provide the necessary funding to the hospitals so that they could kick in the early retirement program and they would have the same restrictions placed on them as government departments. Those hospitals, that had early retirement for

fifteen or twenty or forty employees would, over that period of three or four years, have to find the necessary savings, and I think it is unfortunate that you were not able to extend it to the health care sector, or you decided not to, for whatever reasons. I do hope, though, that in the upcoming discussions he indicated he might be having, and I expect he will be having them with NAPE and CUPE, probably, that some arrangement can be worked out. Because I honestly think the employees have an argument when they say offering it simply to the public servants in government departments and not to those public servants who are employed in the health care sector is discriminatory. I just make that point and leave it with the President of Treasury Board.

My colleague, the Finance critic, has a short question or so for the Minister of Finance and then, maybe, we can get on from Consolidated Revenue to other meaty things.

MR. CHAIRMAN:

The hon. the President of Treasury Board.

MR. BAKER:

Thank you, Mr. Chairman. One very brief comment concerning that situation. We did not refuse to carry out a commitment that was previously made. We did not refuse anything in the process. We were informed that the health care sector could not avail of the program, so we said, alright, if it is not possible to avail of that program as it is, then let us sit down and look at a program that would suit the health care sector. It is as simple as that. Nothing was rejected. There was no scheme that was offered anybody

else that was not offered the health care sector. We offered them exactly the same thing, or members opposite did, when they were there, and they came back and said they could not avail of that particular program. That is where it sits now, but perhaps something else can be worked out.

Obviously, there are quite a few individuals who are dissatisfied. What would happen in most segments of the health care sector is that people would go on early retirement, would get their severance, get their full pension, and then come back to work full-time afterwards. That kind of expense we cannot afford, because the people are not there to take the jobs. That is the basic problem. However, maybe something can be worked out that is slightly different, and maybe we can help the health care sector sometime in the next few months.

MR. CHAIRMAN:

The hon. the member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Chairman.

I have a question along the same lines on early retirement. Particularly, I would like to refer the minister to Subhead 2.1.06, Early Retirement Incentives - Non-Statutory. There is \$3 million budgeted for salaries and \$9 million under Grants and Subsidies. I am just wondering if the minister could explain particularly the \$9 million in Grants and Subsidies that fall under Early Retirement Incentives? Do you have it? Page 9, Consolidated Fund Services.

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. KITCHEN:

The \$9 million in grants and subsidies is the amount the Province will advance to Crown agencies for their early retirement program, which will be completed by June 1989.

MR. CHAIRMAN:

The hon. the member for Grand Bank.

MR. MATTHEWS:

The \$3 million for salaries, is that a sort of carryover into this fiscal year from government employees who took advantage of the early retirement program? If you are giving \$9 million in grants and subsidies to government agencies, and so on, is that \$3 million a carryover from those who took advantage last year?

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. KITCHEN:

The member has it exactly right. The \$3 million is the outstanding amount from the March 31, 1989, program for government departments, and the total cost of this early retirement program for government departments would be the \$14,321,700 plus the \$3 million, which would give a total of \$17,321,700.

MR. CHAIRMAN:

The hon. the member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Chairman.

I have another question for the Minister of Finance. I refer him to Page 6, again Consolidated Fund Services, Subhead 1.3.01 under Guarantee Fees - Non-Statutory. Last year the revised figure was \$380,000 and this year we see for Professional Services an amount budgeted of \$650,000. First of

all I am wondering what would be covered under Professional Services, and why would the amount budgeted this year be almost double that of last year?

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. KITCHEN:

Mr. Chairman, I am trying to find my notes on that.

Professional Services, \$650,000, I believe that is receiver's fees. Let me just read my note. Occasionally when the Province is called upon to honour a guarantee, government must act to safeguard its security, whether this security be a mortgage or on specific property or personal guarantees of individuals. Expenses will be incurred when such actions are taken, and these expenses could include costs of taking possession and storage of assets, appointment of receivers, legal fees and hiring of consultants.

The 1988-89 revised figure reflects receiver fees incurred for Easteel Industries, Cape Pine Fisheries and Newfoundland Enviroponics. For 1989-90 the estimate includes a further \$461,000 relating to Newfoundland Enviroponics, \$100,000 for Easteel Industries, \$55,000 for Cape Pine Fisheries and the provision of \$34,000 for contingencies. Previously, such expenditures were provided for under debt management in the Department of Finance estimates. Since the expenditure relates to loan guarantees, it was decided to include the provision in Consolidated Fund Services, commencing 1990.

MR. MATTHEWS:

Did you say \$34,000 for

contingencies?

DR. KITCHEN:

Yes, \$34,000 for contingencies.

MR. CHAIRMAN:

The hon. the Opposition House Leader.

MR. SIMMS:

Just one other further comment, and then we can move on if you like. Back to the earlier retirement program, just to make one final point for the President of the Council. I am sure he is aware of it anyway, but I understand there is legislation, or at least proposed legislation, coming down from the federal government by the end of this year dealing with a whole range of issues, such as pensions, but also including, I understand, voluntary retirement programs, and that there is in that legislation something that will prevent these kinds of voluntary retirement programs from being implemented. Therefore, the only point I really want to make is to make sure the minister is aware of it.

In the upcoming discussions and negotiations he said earlier he would be having with the unions representing the health care sector employees, where he said he might be able to work out a program that would be acceptable and that kind of thing, I just want to ask him to make sure he proceeds with haste to do this. Because if you are going to put a package together, obviously you would have to do it now, in the next few months, before this federal legislation comes down. I see the Minister of Finance is anxious to comment, so perhaps he could.

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. KITCHEN:

That is true. We are not really sure what the federal pension changes are to be, there is quite a bit of discussion on it. One thing we are certain of, though, is that the time for the buying of unworked service will expire. So if there are people who want to boost their retirement plans by buying years they did not work, this will certainly expire by the end of December of this present year. In that sense it may interfere, so there would be some haste, I suppose, in people taking up this plan. It will certainly expire by the end of the year.

The other matters the federal government have with respect to pension reform are not finalized yet, and it looks like they may not be finalized for some time.

On motion, total for Consolidated Fund Services, carried.

MR. CHAIRMAN:

Executive Council.

Shall 1.1.01 carry?

MR. SIMMS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the Opposition House Leader.

MR. SIMMS:

Perhaps we could deal with this in the same way as we dealt with Consolidated Fund Services, in that we waited until the exchanges or questions were asked and answered before we put the subheads, if that is acceptable. That would be the easiest way so we do not have to be carefully watching to see if the government

is trying to quickly pass some Head. I am sure they would not want to be accused of that, so we will just leave it open, if that is agreeable, until we are finished our questioning.

I have just a few questions here for the time being; the member for Humber East and other members may wish to ask some questions, as well. Specifically, one question I would like the President of Treasury Board - I do not know if the Premier is going to respond to this stuff himself or if the President of Treasury Board is, but whoever is going to respond and would have the details, under Heading 2.2.05, Economic Research and Analysis, page 16, there are some increases in that group. First of all, the revised figures for salaries was \$304,000, this year \$359,000 is budgeted; the Transportation and Communication budget which was revised last year for \$19,000 is up to \$61,000, and, more specifically, the Professional Services Heading, 2.2.05.05, which last year had a revised figure of \$67,000 against a budgeted figure of \$263,000, this year is budgeted for \$417,000. So I would like the Premier or the President of the Council, or whoever is going to respond, to perhaps just explain in some detail what the additional funding is required for and why such a large increase.

MR. CHAIRMAN:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Chairman.

It is a very important question the member for Grand Falls asks. This is a large increase in this particular Professional Services

Heading over the expenditure for last year. The expenditure was \$67,500, as he pointed out, and the Professional Services for this coming year is \$417,200. This relates largely to a rather major initiative on the part of the Economic Research Analysis Division. It is very important in this Province in terms of planning, in terms of having a look at the economy and how the economy would be affected by changes. So it is a model development, if I can put it that way.

MR. SIMMS:
Econometric models.

MR. BAKER:
Well, I am just explaining it in terms that the member would understand.

MR. SIMMS:
I understand it because I initiated it.

MR. BAKER:
It is a model development that I believe is really important. Because whenever we want to look at changes in the economy, whenever we want to look at planning for the offshore or planning for any development in this Province, when this model is developed presumably we will be able to almost immediately get a detailed analysis of all sectors of the economy and how it will be affected by that particular initiative. So this is the development of this particular model. I think it was an initiative started by the previous government, which we are now continuing.

MR. SIMMS:
I thank the hon. the President of Treasury Board for that response.

As soon as he started to explain it, I quickly recollected what it was all about. He explained it very well, much better than I probably would have.

SOME HON. MEMBERS:
Hear, hear!

MR. SIMMS:
See how modest, I am, even though it was I who initiated it?

I do remember the terminology econometric model. That is what the President of Treasury Board must remember to say in the future. Whenever he is asked by his colleagues in the backbenches, 'Winston, what is that all about, that big increase of \$67,417?' the President of Treasury Board can say, 'Well, boys, that is for an econometric model for the Province,' and I will guarantee you, you will not get any supplementary questions.

Mr. Chairman, I have a couple of other general questions, if I may, nothing specific, although I am sure it is in here somewhere. It has to do with politics, the operation of the Premier's office, the new approach to politics, the real change in politics in Newfoundland vis-a-vis the operations of the Premier's Office. I would like to ask him a couple of basically general questions just to get it started.

I would like the Premier to advise the House what the salary for his Executive Assistant on the West Coast, operating out of the Corner Brook office, is.

I realize he might not have it at his fingertips, but I am sure he can get it before the afternoon is out.

In addition to that, I would like to know what benefits have been afforded the new Executive Assistant, Mr. Joyce I believe his name is. What other benefits does he receive? Specifically, that is the question I want to zero in on. There might be others we can come up with later, but I would like that answer as soon as he can get it.

For example, does it include provision of an automobile or a vehicle? If so, is that same benefit afforded to all Executive Assistants in the system? It has never been heard of before, and I just want to find out if there is any truth to the rumors and things like that. The Premier knows what I am talking about.

The other thing I would like to ask the Premier, simply from a parochial point of view, is whether or not he intends to shut down the Premier's Office operation in the Provincial Building in Grand Falls, as also has been rumored. He certainly can answer that one right away, I am sure. The others, I realize, are detailed, so he can get back to me when he can.

MR. CHAIRMAN:
The hon. the Premier.

PREMIER WELLS:
Mr. Chairman, as everybody knows, I guess, ever since the days of the former Liberal administration, when the Sir Richard Squires Building was built in Corner Brook, because of the distance from St. John's and the area it served, there was an office there. In fact, a Cabinet room has been built and maintained there, and an office for the Premier, and there are two or three other offices. The Cabinet

room in Corner Brook has been maintained, and I am sure the hon. member has sat in it. I am explaining this for the newer members of the House to make sure they understand fully.

There has been a recognition that there is a need for somebody operating a Premier's Office, or an office of the Premier in the Western part of Newfoundland that will serve the functions of the Cabinet and other Cabinet ministers when they go in the area. It was originated by Mr. Smallwood when he was Premier, it was carried on, and I believe enhanced, by Mr. Moores when he was Premier, and it was carried on again, and I believe enhanced, by Mr. Peckford when he was Premier, and the time went by in such a flash when the Leader of the Opposition was Premier that there was not time to really think about it, he was too busy, occupied with other things, and there was not time for him to enhance it, so it just went on as it was. We found that to be the situation when we took over.

We have continued that operation. When a fellow by the name of Mr. Edward Joyce did a magnificent job of winning the Bay of Islands seat in the recent General Election, and when I lost my own seat and it became necessary for me as Premier to acquire a seat, I had difficulty beating Ed Joyce off. He was so anxious to get me to represent Western Newfoundland in general and the Bay of Islands in particular that he offered me his seat. I accepted his offer and the invitation of the people of Bay of Islands, and it would be certainly unfair to him to expect him to give up that position and not be involved at all. Bearing in mind that in any event somebody

would be appointed to the position of Executive Assistant to the Premier in Western Newfoundland, I thought this would be an entirely appropriate thing to do, and accordingly appointed Mr. Joyce to be the Premier's Executive Assistant in Western Newfoundland, and he sits in that office. I will try and find out the salary details. My recollection is that it is \$42,600 or something.

MR. SIMMS:
Top of the scale, is it?

PREMIER WELLS:
No, it is in a mid-scale position. It looks like information is at hand. I am sorry, it is \$43,878.

MR. SIMMS:
That is top of the scale.

PREMIER WELLS:
I do not think the hon. member is correct. There is one secretary there.

MR. BAKER:
The Premier's EA is on a different scale.

PREMIER WELLS:
He is on a different scale than a minister's Executive Assistant. The minister is quite correct.

MR. SIMMS:
If I might interrupt the Premier, there is no change in the scale or anything from what was previously paid to the Executive Assistant to the Premier, whoever it was? That was not changed or increased or whatever?

PREMIER WELLS:
I do not know. It may have been. I would have to check that. It may well have been increased.

MR. SIMMS:
I wonder if we could ask his Parliamentary Assistant there to check?

PREMIER WELLS:
I will try and get that. Who was the former Executive Assistant?

MR. SIMMS:
Whoever was there before. I do not know who it was.

MS VERGE:
Anita Allen.

MR. SIMMS:
Who was it?

MS VERGE:
Anita Allen.

MR. SIMMS:
Anita Allen, I think, occupied that position before. What I am asking is, was her salary the same as this?

PREMIER WELLS:
It may or may not have been. My recollection of it at the time is that the establishing of that salary really was not based on what Anita Allen made or did not make.

MR. SIMMS:
It is classified, I presume. The position is classified.

PREMIER WELLS:
It is a position that can be fitted on the scale and the Lieutenant-Governor in Council, as the hon. member knows, can establish the salary that is appropriate. But it should come as no surprise to the hon. minister that the salary reflects approximately what Mr. Joyce would have earned as a member of the House, and that is approximately what it is. That is my

recollection of how it was,

MR. SIMMS:

But it is not set for that purpose.

PREMIER WELLS:

Pardon me?

PREMIER WELLS:

The scale for an Executive Assistant is not set based on what he might have made as a member?

PREMIER WELLS:

No, no, no.

MR. SIMMS:

Maybe the member for Exploits could find out what salary was paid to Mrs. Allen last year, just so we have an idea for comparison purposes.

PREMIER WELLS:

We will compare all of the salaries, the total salary bills. We will compare, in particular, the total salary bills and show the difference.

MR. SIMMS:

No, no, no, no, no, we are not interested.

SOME HON. MEMBERS:

Hear, hear!

PREMIER WELLS:

Oh, indeed we will. We will not stop with one individual comparison.

MR. SIMMS:

No, no, no, do not give us too much information.

PREMIER WELLS:

We will compare them all very carefully, and there will be very substantial elaboration, particularly on the money spent on press aides and the hundreds of thousands of dollars that were

wasted by the former administration.

MR. SIMMS:

We expect that to be coming out of the Premier's Office.

PREMIER WELLS:

We will indeed. We will provide the comparative details.

MR. SIMMS:

The specific question is the Executive Assistant to the Premier on the West Coast.

PREMIER WELLS:

Indeed! We will make sure that the whole thing is -

MR. SIMMS:

Mr. Grimes is going to try to get that information. He is not even listening. He is making out he is not listening.

PREMIER WELLS:

We have given the information. I told the member how I believe the salary was arrived at. I am told that the same scale is now used as was used by the former administration for the Executive Assistant to the Premier. They are on the same scale as was used before. No one is at the top of the scale. Mr. Joyce is the highest individual.

MR. SIMMS:

Not bad!

AN HON. MEMBER:

He did very well.

PREMIER WELLS:

Now, there was some other question.

MR. SIMMS:

What additional benefits are provided?

PREMIER WELLS:

Oh, there are no additional benefits provided. Apparently there were two automobiles in Corner Brook attached to the Premier's Office, or the Department of Transportation - one or two, I have forgotten which.

MS VERGE:

No, there was never an automobile attached to that office, that I know of.

PREMIER WELLS:

I am sorry. The member can shake her head if she wishes. I can only say that I was told there were two automobiles already there and they considered selling them or sending them in to St. John's. I have forgotten what they were going to do with them. I believe they were proposing to sell them.

MR. SIMMS:

The two cars were assigned to the Premier's Office? Or was it the Department of Transportation, or something?

PREMIER WELLS:

I do not know who. There were two government cars at loose ends in Corner Brook. I have no idea where they came from. They were there for the former government. Well, the minister can shake her head if she wishes. I can tell her all I can do is report what has been told to me, that there were two cars. They were considering selling both of the cars, and I suggested that it would be advisable to have a car available there rather than rent a car when the Premier goes out to Corner Brook, as they were there before.

MR. SIMMS:

So who uses the vehicle that is available there? Does the Executive Assistant use it?

PREMIER WELLS:

I do not know. I suppose he uses it for public purposes. I have seen that he has not always used it. I have seen claims for mileage where he has used his own car. I have seen that is the case.

MR. SIMMS:

I am a bit surprised at the vehicle issue, because the Executive Assistant over there before never, ever had use of a vehicle, that I know of.

PREMIER WELLS:

And there are no other benefits that I know of other than the routine benefits. I do not know what connection the member for Torngat Mountains had with the building, but when I went into the office again I discovered a rather elaborate washroom that I did not recall being there before.

MR. SIMMS:

In Corner Brook?

PREMIER WELLS:

A detailed and elaborate washroom.

MR. SIMMS:

In Corner Brook?

PREMIER WELLS:

In Corner Brook.

MS VERGE:

It was Joey Smallwood's washroom.

PREMIER WELLS:

It was not there in that form, as I remember it.

MR. SIMMS:

Oh, yes. It has been there for twenty years.

MS VERGE:

It was there in 1968, when the building opened.

PREMIER WELLS:

I do not recall it. Maybe my recollection is incorrect.

The building is otherwise, I believe, essentially the same as it has been for the last twenty-odd years, or that floor is essentially the same as it was.

We have cut down the use of it by the Premier's Office. We have now assigned two of the offices to be made available to the Chairman of the Economic Recovery Advisory Board and a staff person who will provide services for that board. They will need at least access to one government staff person, so we are casting around the public service now to find somebody available to provide that service to the Economic Advisory Board, and they will work out of that floor. The Economic Advisory Board will use the Cabinet office in Corner Brook for its meetings, as other groups can.

The Cabinet room is also being used at this time as a second jury room. I believe it has been used for that purpose in the past. When there are two criminal jury trials being carried on in the courtrooms in the building, there is only one jury room, and they use the Cabinet office for that purpose. That is the use of the office.

MR. SIMMS:

I asked the Premier about the Grand Falls building.

PREMIER WELLS:

Oh, I am sorry! Yes, all other Premier's offices around the Province have been closed, including the one in Grand Falls. Whatever others existed, I was confident we did not need them, so they were closed.

MR. CHAIRMAN:

The hon. the member for Humber East.

MS VERGE:

Thank you, Chairperson.

I have questions for the President of Treasury Board. Again, I will ask him to wear his other hat, the Status of Women minister's hat, and I will ask him some more questions.

Before that, I would just like to comment on the Premier's statements about government vehicles in Corner Brook. There may well be surplus government vehicles in Corner Brook, but I can tell the Premier and all members of this hon. House that as a government minister for about ten years, representing a Corner Brook riding and spending a lot of time in Corner Brook, I was never aware of a government vehicle being available to me or to anyone working at the Premier's Office in Corner Brook. To the best of my knowledge, there was no such government vehicle. I certainly did not know about one. I certainly never used a government vehicle when I was in Corner Brook.

Now, to Treasury Board. I have a question for the President, first, about the Personnel Policy Division, the estimates of which are on Page 21 of the Budget Estimates document.

The minister may remember, about two weeks ago in Question Period, I asked him if he was familiar with a report done by that division of Treasury Board on the position of women in the public service of this government. I understand that such a report exists and that it provides valuable information about the

status of the women who are employed by the government and government funded agencies, and it compares the position of women in our provincial public service with the position of women in the wider work force.

At that time, I asked the minister, the President of Treasury Board, to table the report in the House of Assembly. I suspect the question slipped his mind, but I would like to ask again if he would get that report and table it in the House.

It seems to me, the Personnel Policy Division of Treasury Board is an extremely valuable unit of this government. It was established a few years ago with a mandate to advise the President of Treasury Board and the government generally, on ways of improving morale in the public service and eliciting greater productivity from our public employees.

After all, the government is perhaps the largest single employer in the whole Province - I cannot think of a larger - and it is extremely important that there be a concerted effort on the part of government as employer and government as manager to have the best policies governing the employment of public servants, so that they are fulfilled in their jobs and they are made to feel good about their efforts on behalf of their employer.

It is important that public servants' efforts be rewarded properly, and that those performing well be motivated to apply for promotions. The Personnel Policy Division was set up by the PC government. Another innovation of the PC government which the new government inherited

is entering into pay equity negotiations for provincial public servants. Of course, the point of those negotiations is to improve the position of women in our public service and to try to see that the gender pay discrimination is eradicated. I would like to ask the minister to give the House an update on the status of the pay equity negotiations. Perhaps I will sit down and allow him to answer those questions now, and then I will have more questions about his work as Status of Women Minister.

PREMIER WELLS:

Just before the President of the Council provides the answer in detail to what the hon. member asked, I want to deal with the car information. I marvel at the efficiency of the new staff in the office. The information was right at hand and it is available.

MR. SIMMS:

(Inaudible) she had it yesterday.

PREMIER WELLS:

Not that I know of. They went and sought it and the information is available.

There were two old cars in the motor pool, headed for the auction block because -

MS VERGE:

In St. John's.

PREMIER WELLS:

No, no. In Corner Brook.

MR. SIMMS:

In the motor pool, not the Premier's office.

PREMIER WELLS:

No, in the motor pool in Corner Brook. There were two old cars headed for the auction block, so

it was decided to keep one and make it available for transportation for the Premier when he is in Corner Brook, and in Western Newfoundland, on the many occasions when he will be there discharging his duties as Premier. In the meantime, the Executive Assistant, in the discharge of his duties, would use it as well.

MR. SIMMS:

He looks after the car for the Premier.

PREMIER WELLS:

Exactly.

MR. CHAIRMAN:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Chairman.

The member for Humber East understands, obviously, the workings of the division she was referring to. I support her vision and her views of the functioning of that part of Treasury Board. I think it is one of the most important functions in terms of staffing. I did overlook the report the member mentioned earlier, and I will try to give her a better response tomorrow on that report; I will see to it later on today.

One thing I cannot help but mention, though, the member for Humber East was very reasonable and I could not help but think of the principle of fairness and balance when the member was speaking.

SOME HON. MEMBERS:

Oh, oh!

MR. BAKER:

She quite correctly pointed out that there were some rather excellent policies brought in by a previous, previous administration, and I am quite willing to admit that there were a number of very sensible, reasonable, and progressive things done in the past. Obviously, good things have happened and bad things have happened, so I accept her comments. The concept of pay equity is one that we are in the process of grappling with, as she knows. We have made commitments and these commitments will be carried out. This was a child of a previous, previous administration in working with the work force. But I find it a little amusing, in terms of fairness and balance, that the member for Humber East, and some other members opposite, get extremely upset - outraged is probably a better word - if members on this side happen to mention that there were some things that happened in the last seventeen years that were not so good. I would like to say to her that in the interest of fairness and balance, perhaps she should not be as outraged with ministers when they refer to the past seventeen years, because I do not mind admitting that there were also some very good things that happened during the last seventeen years. So in the interest of fairness and balance, if members opposite want to refer to the good things that happened, then please accept the principle that members on this side of the House may not all the time but on a occasion, refer to incidents in the past seventeen years that were not so good. That thought was going through my mind as the member was speaking.

However, her specific question on

pay equity: Again, I can get a more detailed answer for her tomorrow. I will tell her at this point that the process is proceeding. The meetings are being held all the time, and I am making sure that it is progressing. Everything has been discussed, and we should be in a position late Summer or early Fall to have something on paper. But, as the member knows, it is a lengthy process; a lot of people have to come together to make some basic decisions first and then we actually go to work on the specific proposals. Because the pay equity is a very complicated thing, we want to make sure it is done properly. However, later on today I would ask my officials for an absolutely up-to-date status report on what has been happening in the last couple of weeks and I will be glad to inform the member of that.

MR. CHAIRMAN:

The hon. the member for Humber East.

MS VERGE:

Chairperson, I would have to agree with the comments of the hon. the President of Treasury Board. I think, on the whole, what he said is fair. It is true that the record of the previous, and even the previous, previous administrations was not flawless; we did not achieve absolute justice and equality. We did leave some challenges for the new government, and that is what I am asking him about now.

When the minister's party was campaigning in the Winter and Spring, the party platform included a written commitment to bring in pay equity legislation. I would like the minister to tell us if he has begun the work of

drafting that legislation, and whether he will be in a position to introduce it in the Fall sitting of the House?

MR. CHAIRMAN:

The hon. the President of Treasury Board.

MR. BAKER:

Thank you, Mr. Chairman.

I am not absolutely certain it is going to be ready for the Fall sitting of the House. What I will tell the member is this, that we have not even started to draft it yet because we are not far enough along in the process. But as I said, I hope it will be late Summer or early Fall.

At the point at which this legislation is ready in draft form, I would hope to present it to an all-party Committee of the House to examine, actually before we come back into the House, and give them some period of time to have a look at the legislation, to have a public discussion on the legislation before it is actually brought into the House. So it is going to be a lengthy process, unfortunately, and it may actually be next Spring before the whole thing is complete. But I would like to use the Committee structure, if at all possible, to have that public discussion, public examination by all political parties before we even bring it into the House for final resolution.

MR. CHAIRMAN:

The hon. the member for Humber East.

MS VERGE:

Thank you, Chairperson.

I would now like to ask the

minister some questions about his Status of Women responsibilities. Since without even reading the report of the Personnel Policy Division about the position of women in the public service, anyone who has looked around will see readily that the position of women is inferior and subordinate to that of men as measured by pay and as measured by power. I would like to ask the Minister responsible for the Status of Women, who also happens to be the President of Treasury Board, responsible for the Public Service and personnel issues, what measures he proposes to improve the position of women in the public service?

Right now we have one vacancy in the Public Service Commission. Actually there were two vacancies, the Chair and other position, when the new government assumed office, and the new government hastened to appoint a man, Mr. Gil Pike, who was an experienced Deputy Minister, to the Chair, missing an opportunity to appoint an experienced and competent woman. However, there is now one vacancy and there is another vacancy due to arise in the Fall. It seems to me these are two golden opportunities to make a real effort to improve and advance the position of women in the provincial Public Service, because, after all, the Public Service Commission has the mandate of recruiting people for permanent public service jobs and then of evaluating applicants, and it also has the role of conducting ongoing in-service training for public employees.

I would like to ask the minister, in summary, what steps he is proposing to mount to advance the interests of women in the employ

of the Province and, specifically, whether he will do his best to appoint two women to the Public Service Commission this year to fill the present vacancy and the other that will arise in the Fall?

MR. CHAIRMAN:

The hon. the President of Treasury Board.

MR. BAKER:

Thank you, Mr. Chairman.

As the member knows, there has been a fair amount of progress in the last number of years in terms of the makeup of boards and so on. I have seen summaries that indicate to me, depending on the department, that in some departments, with regard to appointments, women are by far in the majority, in other department they are not, and maybe down as low as 30 per cent of appointments have been women. But, on balance, in terms of appointments to positions, there has been a lot of progress made.

Now, over the next short while, as terms come due, we will also be making appointments to various boards and commissions and everything else. I hesitate to give the member a commitment on any two particular appointments. I would say to the member I believe that in the very near future, a matter of weeks, there are appointments coming out that she will be extremely pleased with. In fact, the attempt to get capable women to agree to take appointed positions within the structure is going on and is, if anything, intensified. So we are trying to make sure that there is a proper balance in terms of the physical appointments that are made. I think if you give us some time, and as the appointments come

out, you will see that we are not going to be lacking in that regard. However, I hesitate to make a commitment on one particular one.

The second part of the question had to do with the role of women within the Civil Service, and specifically what plans do I have to ensure that women get their rightful role within the Civil Service. I take that to mean that the member means there is an acceptable representation of women amongst management. I think that is primarily what she is concerned with, because there are certain typical role jobs that mean that women make up a large proportion of the Civil Service. But you are talking mainly about the management section: if women are appointed on merit into the management sector of the Civil Service in adequate proportion.

All I can say to the member with regard to that is that obviously the pay equity is a move towards getting away from stereotyping in roles. Obviously, a year down the road the member will be able to compare figures, because she will have access to any figures in terms of the kinds of promotions, and so on, that are made within the Civil Service. All I can say is that I suggest the member compare what is there now with what will be there a year from now and, at that point, see if in fact there has been any movement. If there has not been, then she can blame me. I fully accept that.

I would also like to talk in terms of going beyond the Civil Service and the encouragement of getting away from stereotyping, and so on, in the private sector. Once we straighten our own House out totally, then we intend to go to

the private sector and try and do the same kind of thing we will do in the Public Service. All I can say to the member is wait and we will see. I have been in this position for eight weeks, and I know this is getting to sound like a broken record. The member will realize that my first responsibility when I came in was the budget. That took five or six weeks, a lot of time.

MR. SIMMS:

You only had to consult the records.

MR. BAKER:

In fairness, the departmental stuff had been done, but there had to be a rush put on the rest of it because there was no chance to get it done. I would say the member for Grand Falls should have seen that it was done before the election. But it was not, and that is fine. I am just saying that that is what I found, and the budget took a lot of time.

Then we wanted to get the House open, and that took some time, as well, in terms of getting things ready to make sure we had Interim Supply, the budget was ready for that, and so on, and we have done that. I have spent some time, not as much as I would have liked to, or maybe not as much as I should have, but I have spent some time, and will continue to spend more time over the Summer with the Womens Policy Office, because they are valuable too, and also more time with the other interest groups around the Province in terms of women's issues. I really want to talk to them before I start getting into trouble in terms of making the wrong decisions. I also want to put to them a major initiative that I would like to see happen over the

next year. What I would like to do is to undertake a major initiative to solve a major problem, rather than sort of try to solve a lot of problems at the same time. I am getting around to that approach, and I am talking to the groups about targeting and trying to really solve a particular major problem in terms of women's issues. All these things are ongoing, and I can assure the member that a year or two down the road, I do not think I will be found wanting.

MR. CHAIRMAN:

The hon. the member for Humber East.

MS VERGE:

Chairperson, I am pleased with what I am hearing from this minister, but I would like to caution him that no matter how well-intentioned he is, and I happen to believe, honestly, that he is well-intentioned, the obstacles that have to be surmounted before women in the Provincial Public Service, or the broader society are going to advance meaningfully are perhaps far greater than he realizes. True progress is going to take more than one minister's good intentions. There is going to have to be a reform of the whole system. There is going to have to be a whole series of policies which will ensure conscious, deliberate action to give women a fair shake. Because, that is what we are talking about, a fair shake.

One of the minister's colleagues, the Minister of Education, who is not now in the House, said in one of our Estimates Committee meetings that to bring about true equality of opportunity in education between the rural and urban areas in our Province is

going to have to take unequal spending. He said there has to be unequal spending to achieve equality and I believe, and I think he acknowledged seeing it this way too, that the same is true for achieving equality for women, there have to be, if you like, unequal measures and programs. Michelle Lansburg, in talking about affirmative action of this kind, pointed out that, in effect, in practice men have had an affirmative action program for centuries, and what women are looking for now is really an end to that kind of privileged existence for men so that women just have an equal opportunity.

It is not so much a matter of special opportunities for women, it is a matter of neutralizing the special opportunities men have always enjoyed so that, for once, there might be some kind of true equality.

MR. CHAIRMAN:

Order, please!

I just want to interrupt the hon. member for a moment. It is 4:00 p.m. Thursday and I want to inform the House of the questions for our Late Show at 4:30 p.m. There are three questions:

The first one from the hon. the Leader of the Opposition is to the Premier. He is not satisfied with the response to the question asked regarding the Minister of Health and The Conflict of Interest Act and the Regulations.

The second question is from the hon. the member for St. John's East (Ms Duff) and it, too, is to the Premier. She is not satisfied with the answer given by the Premier in response to the questions concerning a process of

public information and
consultation regarding the
proposed Outer Ring Road.

MR. R. AYLWARD:

That was to the Minister of
Environment and Lands.

MR. SIMMS:

Yes, that was to the Minister of
Environment and Lands.

MR. CHAIRMAN:

It says here, the answer given by
the Premier.

MR. SIMMS:

It should be the Minister of
Environment and Lands. That is
just a clerical error.

MR. CHAIRMAN:

The third question is from the
hon. the Leader of the Opposition
and it is to the Premier. He is
not satisfied with the answer
given in response to a question
raised about the former Executive
Assistant to the Minister of
Municipal and Provincial Affairs.

The hon. the member for Humber
East.

MS VERGE:

Chairman, to summarize then, I
wish the President of Treasury
Board and the Minister for the
Status of Women well with his
stated objectives, and I am
anxiously awaiting his special
initiative.

I would strongly advise him to
listen carefully when he meets
with women's groups and to try to
ensure that his good ideas are put
into practice by putting in place
deliberate strategies and a
mechanism for measuring his own
progress. Because he may
underestimate the power of the
buddy system, and the buddies with

the power are men; there are not
very many women in positions of
influence in our government or in
our Province, for that matter.

My last set of questions for the
minister have to do with what he
sees as priorities for action as
Status of Women Minister? Among
the issues I see are poverty,
violent crime against women and
children, and the inadequate
provision of public services, with
women's needs not being met
properly. I am wondering, though,
what his particular views are.
What issues does he see as
deserving of priority attention?
What are some of his particular
goals for his term as Status of
Women Minister?

MR. CHAIRMAN:

The hon. the Government House
Leader.

MR. BAKER:

Thank you, Mr. Chairman.

They are very difficult questions
to answer, and I have to kind of
think first, simply because as
soon as you start picking out
priorities you immediately open
yourself up to comments: 'Well,
what about this? Is this not
important? Is something else not
important?' - and so on. I would
say to the hon. member that I
agree with her that the whole
problem of violence against women,
the battered wives and children
and so on, in terms of the status
of women is a very serious problem
and has to be dealt with, and I
hope it will be. It is one of the
things I would like to see dealt
with now. I just want to say this
one thing to the member in terms
of a stress, or something that I
believe if it is handled would
make a great difference in the
Province in a lot of areas, and

that is the problem of the single mother. I think that affects so many departments of government, and many areas of our lives. By and large, in terms of the battered syndrome, these women when they leave then become single parents in a sense, and how do they survive? How do they get along in the world? I think that is a problem that needs to be dealt with. It may not, in some people's minds, be the single most important problem, it is one that perhaps is solvable.

Many problems are attitude problems that take a long time to solve, and you are trying to overcome an attitude that has been around for centuries, it is not easily solved. It is not a simple matter of hiring a PR person to go out and push the buttons, and so on, you are dealing with an attitude that has been there for centuries, and I do not know how you change it. All I can say is that there are problems which I believe are solvable, and one of them is the problem of the single parent. That is a solvable problem, and I would like to solve that. My goal, quite simply, over the next three and-a-half years, or whatever it happens to be, is to make a difference.

If, at the end of that time I see that I have made a difference for the better, then I think that is a general goal. How I go about doing it, will I be successful in making a difference in terms of solving the problem of the single mother, I do not know. But I am going to try. I would like to make a difference in the next three and a half years, and that is my general goal.

MR. CHAIRMAN:
The Opposition House Leader.

MR. SIMMS:
Mr. Chairman, I would like to ask a bunch of questions now of the President of the Council, and perhaps the Premier in its capacity as Minister Responsible for Intergovernmental Affairs.

Under Heading 2.2.10.06, Page 18, under Offshore Fund - Administration, there is an amount of \$31,200 in the estimates for Purchased Services. Last year there was nothing but \$100. I would like him to tell me what that is specifically. He might want to make a note of these, because I am going to ask four or five while I am standing. 2.2.10.06, Purchased Services, \$31,000 approximately, under Offshore Fund Administration.

In his capacity as President of Treasury Board, on the next page 20, again under O and M, Organization and Management, 2.3.07.05 Professional Services, there is an amount of \$136,000 and I would like the minister to explain what that is going to be used for. Last year it was \$17,000 or something.

Continuing on to page 21, in his capacity as President of Treasury Board, under Human Resource Management - Systems Development, could he explain what the funding there is required for, \$154,000 in salaries? That is new salaries. There was nothing spent last year.

MR. BAKER:
What page is that?

MR. SIMMS:
Page 21, 2.3.11, you will see the new amount for salaries \$154,000. There was nothing last year. It is for new positions, I guess. And under Professional Services, that same Head, you will see there

is a significant increase in Professional Services, from \$126,000 up to \$475,000. We would like to know what that is for.

And to the Premier in his capacity as Minister for Intergovernmental Affairs, or to the President of Treasury Board, whoever is going to make note of it, under Executive and Administrative Support, page 22, 2.4.01.10, there is an amount there for Grants and Subsidies \$154,000. The minister sees the amount I am talking about? This year \$154,000, last year \$44,000. What is that for?

Finally, perhaps the Minister of Energy might wish to comment on this, or the President of Treasury Board, or whoever might have the most knowledge of this - the Premier is gone - on page 24 of the Estimates, under Intergovernmental Affairs Secretariat, there is a Heading, 2.4.07, dealing with the Hibernia Project - Implementation and Monitoring. Of course, we see that the amount provided for in the estimates is considerably less than that expended last year. It was \$604,000 last year, this year you have provided only \$380,000 in the budget. Does that reflect something in a negative way? What exactly is the reasoning for less, almost half the amount of funding required this year as opposed to last year? If it is not something negative, as the minister has indicated by shaking his head, maybe he can tell us why when he gets an opportunity to comment.

Perhaps the minister can respond to those few questions.

MR. CHAIRMAN:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Chairman.

The first question had to do with Purchased Services under Offshore Fund - Administration, an amount of \$31,200. That is basically to provide the cost for the printing of brochures. That is the purpose of that.

MR. SIMMS:

(Inaudible) brochures?

MR. BAKER:

Not specifically, no. You cannot print a great deal, I suppose, for \$31,000.

MR. GIBBONS:

You are talking about the question we had (inaudible) thousand?

MR. BAKER:

No.

MR. SIMMS:

He is answering a question I asked on Offshore Fund - Administration.

MR. BAKER:

I am not sure specifically what brochures, but obviously they have a need to publish some brochures.

MR. SIMMS:

(Inaudible) last year did not publish any (inaudible).

MR. BAKER:

Yes, they probably did not see a need last year. I do not have that Heading.

Professional Services, under Organization and Management.

MR. SIMMS:

The minister is not going to skip over without explaining what those brochures were for now, is he?

MR. BAKER:

I just do not know what the brochures are. If someone can find out for me, fine. Maybe the Minister of Energy knows, it is offshore related.

MR. SIMMS:

We are asking questions and obviously we expect to get answers. The President of the Treasury Board will have to get the answers.

MR. BAKER:

Yes, that is right, and I am answering to the best of my knowledge at the present time.

MR. SIMMS:

The answer is no.

MR. BAKER:

No, no. The answer is not no. The answer is that was for the printing of brochures. I do not know specifically what the titles of the brochures are -

MR. SIMMS:

Are they brochures with the Premier's picture on it, or what?

MR. BAKER:

- or how many pages long they would be, or whether there are glossy photographs on all four or six panels.

MR. SIMMS:

The reality is the minister does not know what they are for at all.

MR. BAKER:

I have no concept of that. All I know is there is a need for the printing of some brochures.

MR. RIDEOUT:

We want to know before the Head passes.

MR. SIMMS:

Yes, we would like to know before

we pass the Head.

MR. BAKER:

All right. I can tell you what it is not for, it is not for publicity associated with the party that I represent. It is not that.

MR. SIMMS:

How do you know, if you do not know what they are for.

MR. BAKER:

I know what it is not.

MR. SIMMS:

But you do not know what they are for.

MR. BAKER:

I know what it is not.

MR. SIMMS:

Anyway, the minister will get the answer before we pass the Head.

MR. BAKER:

Perhaps.

MR. SIMMS:

Then we do not pass the Head, that is all.

MR. BAKER:

Well, that is fine.

Organization and Management - 05 - Professional Services, \$136,200, which I believe, if I can find that now, is a tremendous increase. Last year there was \$17,100 spent. This \$136,200 relates to the contracting of Newfoundland and Labrador Computer Services Staff this year.

MR. SIMMS:

Additional staff?

MR. BAKER:

Pardon?

MR. SIMMS:
Would you say it again? I am sorry.

MR. BAKER:
Contracting Newfoundland and Labrador Computer Services Staff, and it has to do with consultants for the Secretariat. These are people who will be working with government for a period of time developing programs, and so on, and it is an expense of government when we use their staff to develop programs for us. So it is a computer expense.

MR. SIMMS:
What programs are you developing?

MR. BAKER:
I do not know specifically what the programs are. The same story.

MR. SIMMS:
The minister will try to get the answer?

MR. BAKER:
They are information consultants.

MR. SIMMS:
The minister will try and get the answer, will he?

MR. BAKER:
Human Resources Management, I believe, was the next one. Let me see if I can now find that for the member.

MR. SIMMS:
There is a half million dollars more there.

MR. BAKER:
Obviously, for some reason, there were no salaries paid in that unit last year. This is a new unit - it must be - in terms of personnel. They are developing a human resource management system, as they refer to it, and it has to

do with the area of Treasury Board that is concerned with developing, and which has a variety of programs developed in regard to the employees in government. It relates to questions that were previously asked, I believe by the member for Humber East. They are developing programs for employees in the Public Service.

MR. SIMMS:
What professional services will be used then? What is that? Is that contracting out too, or equipment or what?

MR. BAKER:
Some of it is computer. I am not sure how much of it is development of software and how much of it is other, such as consultants from the outside. I am not sure how much, but I could check into that and find out, obviously.

MR. SIMMS:
I would like to know if you are hiring outside consultants -

MR. BAKER:
Hiring who?

MR. SIMMS:
- who are they? What are they being paid? and the like. These are just normal questions. We are not asking too much, I do not think.

MR. BAKER:
Well, if we were planning to hire outside consultants -

MR. SIMMS:
You would not hire Peter Lougheed, I know.

MR. BAKER:
- we would not, number one, say who they are going to be, because that would mean we were picking them ahead of time and that we

have in mind which consultants we are going to use.

MR. SIMMS:

But do you know if you are?

MR. BAKER:

If we were going to use consultants sometime during the fiscal year, then, obviously, we would contract out and -

MR. SIMMS:

Yes, but if you do not know what this is for, maybe you have already contracted out.

MR. BAKER:

- we would not have any plans ahead of time to hire specific consultants. Now, I do not know how it used to work before, but that is not the way it works now.

MR. SIMMS:

But does the minister know for sure? Do you know for sure you have not hired these consultants?

MR. BAKER:

That is right. I will get the information for the member.

MR. SIMMS:

So you are not sure.

MR. BAKER:

The Energy Minister could comment on that \$380,000. I would say to the member for Grand Falls, that that is not less. Last year there was \$302,000 budgeted, this year \$380,000, which is a fairly large increase. As a matter of fact, it is 17 per cent or 18 per cent over the budgeted amount for last year. I only assume that if, for instance, it becomes necessary in terms of the Hibernia project to expend more money in terms of professional services, or whatever, than is budgeted, then we will have to do so, just like

the government did last year in its budget. As I say, it budgeted for \$302,000 and spent \$604,000, double the amount. Who knows! If things happen in an unexpected fashion, as obviously they did last year, then we may have to double the \$380,000, or triple it, depending on conditions. But we are projecting that we will need that much of an increase, from \$302,000 to \$380,000, the budgeted increase for this year over last year. So it is a fair increase over the budgeted amount for last year.

Now, did I miss one? I believe I missed one somewhere.

MR. SIMMS:

Yes. Page 22.

MR. BAKER:

What page?

MR. SIMMS:

Grants and Subsidies in Intergovernmental Affairs, 2.4.01.10, page 22.

MR. BAKER:

That is under Intergovernmental Affairs.

MR. SIMMS:

Executive Support, Grant and Subsidies.

MR. BAKER:

Under Executive and Administrative Support.

MR. SIMMS:

One hundred and fifty-four thousand dollars.

MR. BAKER:

Grants and Subsidies is the one you are concerned about. Last year there was \$44,000 spent, \$52,000 budgeted and this year \$154,000 budgeted. The \$154,000

has to do with funding for the Province's contribution to the operation of the Canadian Intergovernmental Conference Secretariat, and, also, the grant by the Province to the New England Governor's Eastern Canada Premier's Secretariat. So the total amount is taken up with those two items, as far as I can ascertain.

Now, was there one more?

MR. SIMMS:
No.

MR. BAKER:
I thought there were quite a few more.

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

MR. SIMMS:
Well, perhaps it seemed like quite a few more because the minister has not provided answers to any of them yet.

Mr. Chairman, can the minister elaborate just a tiny little bit. I do not expect him to go out of his way or anything to get all the answers for us, but he did say on just about every question that he was not quite certain and he was going to get the information. I will take him at his word and expect him to provide the information to the House at the earliest opportunity.

But, back to this one, Grants and Subsidies, the \$154,000 figure he just addressed, the contribution to the New England Governors and Eastern Canadian Premiers, and also the contribution to the Canadian Intergovernmental Affairs Conference Secretariat, can the minister tell us why the amount

would be \$154,000 this year when last year it was only \$44,000? Were not the same contributions made to both those bodies? Have the fees increased dramatically, or are we paying a new fee to one of these two bodies? Perhaps, in the past, we were only contributing to one, I am not sure. I do not know myself, but I am sure the minister will find out or can tell me as soon as he stands; he would not even have to check that one out. But the others I am sure he will check out.

In view of the fact that we have a few minutes remaining before the Late Show, I would be interested in hearing the Minister of Mines and Energy comment on the question I posed; the President of the Council tried to answer it and did a miserable job. He had absolutely no idea, not a clue, not a click, as to why the funding is so much reduced from last year's total expenditure. I know the Minister of Mines and Energy is very anxious to get on his feet. He has been up four or five times and has not had a chance yet, but I will sit down and give him a chance. Before we get to the Late Show and before we pass the Heads, I would like to know the answer to that Grants and Subsidies question. Why the big variance in that from last year to this year, if there were two groups? Maybe we can get an answer before we call the Heads?

MR. BAKER:
The Minister of Energy has the answer.

MR. SIMMS:
No, he cannot answer this question on Grants and Subsidies. He is going to talk about the energy one, but you are going to get the answer to Grants and Subsidies.

DR. GIBBONS:

A couple of points: The question on Offshore Fund - Administration you raised, the \$30,000 extra for Purchased Services, that is for a brochure to basically describe the projects that have been initiated so far, totalling about \$250 million under the Offshore Development Fund. They are going to print a brochure this year showing what has been accomplished to date under the Fund. There is about \$50 million left in the Fund to be allocated to future projects. The other dollars in that subhead just refer to the salary for the co-ordinator and some related expenses that are ordinary operating costs. But the extra is the brochure that is being done.

MR. SIMMS:

You would have thought the President of Treasury Board would have had that information at his finger tips, would you not?

DR. GIBBONS:

Of course.

MR. SIMMS:

The next question.

DR. GIBBONS:

The question relevant to the reduction of the amount for consulting services is that the fiscal negotiating committee has done an assessment of what they consider to be necessary this year to conclude the negotiations and in their assessment they will not need any more than about \$380,000. That is why the budget amounted to \$384,000.

MR. CHAIRMAN:

The hon. the Opposition House Leader.

MR. SIMMS:

That was a very good answer and I appreciate it. I thank the minister for his openness and his forthrightness, and I would urge him to have supper or dinner with the President of Treasury Board and President of the Council and maybe give him a few tips on how to be more forthcoming in answers and give a bit more detail.

Is the President of Treasury Board going to respond to my question about the wide variance in the Grant and Subsidies subhead of Intergovernmental Affairs Secretariat, from \$44,000 last year to \$154,000 this year? Does he have the answer now? Is he prepared to give me that answer?

AN HON. MEMBER:

(Inaudible).

MR. SIMMS:

He is not prepared or he does not have the answer?

I am going to sit to let the minister answer.

MR. CHAIRMAN:

The hon. the President of Treasury Board.

MR. BAKER:

I would like to inform the member that I do not know the details of that \$154,000. I am assuming that there is a standard fee allocated to members who attend the New England Governors/Eastern Canada Premiers Conference, who are part of that. There is an allocation paid by each of the Eastern provinces and the Governors of the states. So there is an allocation that is divided up, I assume according to population - I will find out for sure - and so we are paying our share of that.

I am assuming that the Canadian

Intergovernmental Conference Secretariat is also set up the same way, and that there is a fee charged, an allocation made to each province - to each government I should say, because it takes in more than the province. Each government has a certain allocation to pay to the cost. What I am saying to the member is that when you add together the one charge or allocation from the Eastern Premiers and Governors Conference to the bill from the Canadian Intergovernmental Conference Secretariat, you will get \$154,000.

MR. SIMMS:

I say to the hon. the President of Treasury Board that is an excellent explanation, except last year, I am assuming, that when you added together the bill for the Canadian Intergovernmental Affairs Secretariat and the bill from the Canadian Eastern Premiers and Governors Secretariat, apparently it only came to \$44,000. This year it comes to \$154,000, a \$100,000 increase. All I am simply asking is why is that at variance? Did we not pay the same two bills last year? Were the fees that much lower last year? Have they been substantially increased this year, by \$100,000 or what? That is a very clear, succinct question. The Minister of Finance even understands it. I see him nodding. He cannot understand why the President of Treasury Board cannot answer this question.

MR. CHAIRMAN:

The hon. the President of Treasury Board.

MR. BAKER:

Thank you, Mr. Chairman.

I have given the answer as to what

the \$154,000 is. I will certainly try my best to find out why it is that last year only \$44,000, I believe, was provided, I am assuming again, to the same two bodies. It is very unusual. Either there has been a tremendous increase in fees, or last year bills were not paid. There obviously is some reason.

I would expect that whatever minister was in my position last year at this time should know what the \$44,000 was for. I am assuming that. I will go back and try to see if the minister who was in my position last year at this time can straighten this out for me, as to what that \$44,000 was spent on last year. I will try to get an answer for the member.

MR. SIMMS:

Mr. Chairman, I can say to the President of Treasury Board that his predecessor, at this time last year, knew what the answer was for the \$44,000.

AN HON. MEMBER:

And forgot it.

MR. SIMMS:

No! I am asking the present minister to give the House the answer for this year's, and why the difference between this year's and last year's.

MR. BAKER:

Oh, no! Your question was, 'What happened that it was so low last year?'

MR. SIMMS:

No, no! We are asking why is it so high this year.

MR. BAKER:

I have told you what it is for this year.

MR. SIMMS:

You see, it is just like pulling teeth, Mr. Chairman. You cannot get answers out of these ministers. I have now asked the President of Treasury Board six questions in a row and every question I asked - members over there are even smiling about it, because they saw it as well - he did not know the answers to: 'I will have to check it out.' 'This is for a brochure.' 'What kind?' 'I do not know.' 'What is the difference in the grant?' 'I do not know, but I will check it out.'

The purpose of holding these discussions and asking these questions in this forum is precisely to get answers from the government. But if the government does not provide the answers, then the Opposition are left with little choice.

Anyway, Mr. Chairman, let me just say that it appears we are not having any luck at all in getting answers. The minister said he will provide some later on. I expect him to provide the answers to the House at the earliest opportunity. That is about all we can do on it. I mean, if he cannot get the answers what are we going to do, just stand up here on a soapbox and make a fuss? There is not much point in that. It is a wasted effort.

On motion, Heads 1.1.01 through 2.6.02, Executive Council, total carried.

MR. BAKER:

The Legislature, Mr. Chairman.

On motion, Heads 1.1.01 through 3.1.03, Legislature, total carried.

MR. BAKER:

Mr. Chairman, I move that the

Committee rise, report progress.

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

MR. SPEAKER:

The hon. the member for Trinity - Bay de Verde.

MR. CHAIRMAN (L. Snow):

Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report that they have passed the Estimate Heads for Consolidated Fund Services, the Executive Council and the Legislature without amendments and ask leave to sit again.

On motion, report received and adopted, Committee ordered to sit again presently, by leave.

MR. SPEAKER:

It now being 4:30 p.m., and Thursday, we go into the adjournment, commonly called the Late Show, and call on the Premier.

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

I should advise your Honour, by agreement reached earlier, the Late Show will run beyond five o'clock. So it is already agreed in advance to stop the clock at five until the allocation of five minutes each has expired, or whatever, and then the motion for adjournment is automatically put. But I think there is an intention to defeat it probably.

MR. SPEAKER:

The Chair does not have the questions but the first question was by the hon. the Opposition Leader relating to his dissatisfaction with questions of conflict of interest to the Premier.

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Mr. Speaker, I remember, in the first few days of the life of this government, listening to the Premier on the airwaves of the Province, and reading his comments in the printed media on conflict of interest, and the Premier in those times was holding true to the standards he preached while he was Leader of the Opposition. I remember him saying very, very clearly, when the question was put to him, "Will you be prepared as Premier to have the authority for the determination on whether or not a conflict of interest exists with any of your members put to an independent person, put to another person, put to some group arm's length outside of the Premier? 'And I remember the Premier's response clearly,' No, that would not be in keeping with the proper discharge of my responsibilities as Premier, and I will not do it, I will not entertain it.

Now today, Mr. Speaker, in the House, and for the last several days but particularly today, when I raised this matter as it relates to the Minister of Health, the Premier shot back, 'Well, go to the Chief of Police, go to the courts if you feel so strongly about it.' Well, the Premier has taken unto himself, because he is Premier, and has refused to give up the authority, which I agree with, that the Premier must make the determination whether or not a

minister is in a conflict of interest situation. The Premier must make that determination. The Premier can only make the determination, Mr. Speaker, based on the law of the land. And the law of the land, very clearly in the Conflict of Interest document, defines interest, not conflict of interest, defines what is defined to be interest, in a company, in a business or in an activity. One of the interests that is clearly defined in this act is a loan by a company owned by a member -

SOME HON. MEMBERS:

No.

MR. RIDEOUT:

Yes, a loan. Section (3)(c) says a loan. And this particular minister owns 98 percent of a company which has made a loan to another company that draws benefits from the government. Now, I do not know how I can put it any more simple than that. The minister has a 98 percent interest in a company that made a loan to another company that he does not own, but does, in fact, draw benefits from the government.

And the Premier so far has refused to take off the blinkers and see what anybody with an ounce of common sense ought to be able to see, that as long as that situation continues that minister is not only in a potential conflict of interest situation, he is in a real conflict of interest situation.

Now, I did not create that situation, Mr. Speaker, and the Premier did not create it. It happened to come to our knowledge and we brought it up, as we should in my view. The situation continues to exist to this day and, more importantly than that,

every single time there is an increase in the amount of subsidy paid by the taxpayers of Newfoundland and Labrador to personal care homes, every time there is an increase, and as long as this loan is still in place, every single time that happens the financial security of the company that the minister owns, which made the loan to the personal care home, is more secure. Now, how can anybody in their right mind say that that is not a conflict of interest? It is a conflict of interest and, just as importantly as that, Mr. Speaker, it was a conflict of interest that should have been disclosed.

It should have been disclosed because the act says specifically the loan - not the shares in the company; that was done but the loan by the company should have been disclosed in the disclosure statement. We asked all of those things to the Premier, Mr. Speaker, and the Premier throws up his hands, forgets about the great principles and the idealism that he articulated when he was Leader of the Opposition. When he was in Opposition only one of two things could happen here, Mr. Speaker: 'Either that mortgage, that loan disappears or the minister must disappear. You cannot have it both ways.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

I have identified three points and I will address them individually.

First, he talked about the Premier's responsibility and harkened back to my comments as to

how I would treat assessment of whether or not a minister was in conflict and whether it would be assigned to some independent body to determine that.

The hon. the Leader of the Opposition reported, what he said was primarily accurate, but he did not say it all. I take the position that the Premier cannot shed his responsibility. He has got primary, personal responsibility and he cannot slough it off to some independent commissioner and say, "You make the decision" and let it be whitewashed. The Premier has got to be responsible, and the hon. Leader of the Opposition says he agrees with that position. I am glad to hear that he does now agree with that position. The government of which he was a part, when they introduced the draft legislation in the last Session of the House, obviously did not agree with that and they took a different position, but I am glad to hear now that he endorses the position that we have taken.

The other thing that I did say was what I wanted to establish, and we intend to introduce - it was in, I believe, The Throne Speech - an ethics committee of the House to which such matters could be referred. Not for making the decision, but to air all and hear all sides of it, and to express an opinion on it with the ultimate responsibility still resting with the Premier, where it should be. The Premier should not be relieved. But it would be good to have an ethics committee made up of members of both sides of the House to express an opinion on it so that the Premier, if nothing else, could at least have some guide to at least what others think of the situation. That is

the position. We will, as soon as we can get the legislation drafted, with the other legislation that we have to do, be tabling legislation that will provide such an ethics committee of the House to discharge that responsibility, leaving, always, the Premier with the ultimate responsibility. So that clears that point.

The second thing that he talked about was the law of the land. He keeps declaring the law of the land, and then reads it and glosses over it very quickly, afraid that we will see the truth of it.

MR. RIDEOUT:

I read the whole section today.

PREMIER WELLS:

This afternoon here is the statement that he made; I wrote it down: "The law of the land defines an interest," he said. He is right, it does define an interest. But it does not define it in the way in which the hon. the Leader of the Opposition said. Here is precisely what he said, "And it includes a loan made by a company owned by a member." Now Hansard has recorded his precise words, and I wrote it down and recorded it, too.

"It includes a loan made by a company owned by a member." And I say to the hon. the Leader of the Opposition, it does not. He has not read it accurately. Here is what it says, "Any loan made by the Member" - not made by a company owned by the member.

MR. RIDEOUT:

Oh, for God's sake!

PREMIER WELLS:

He can say, "Oh, for God's sake,"

all he wants.

MR. RIDEOUT:

What a charade!

PREMIER WELLS:

He can shout and say all he wants. Just be honest. Read it exactly as it is: "Any loan made by the Member or public employee to any such company, firm, or body or any other indebtedness no matter how secured of such company, firm or body to the Member or public employee," dealing with the company. So it is clear that the hon. member is wrong and he is misrepresenting and he is creating a deception, and the people should not be deceived by this kind of thing.

They have nothing else to deal with, or nothing else to cope with, so they are trying to create and make a little bit of political hay in this way. In the meantime there are major concerns in other parts of the Province, like Marystown, for example. There are major concerns in health matters generally in the Province, in education matters, in the general public affairs of the Province that are going unattended while they try and make these cheap, political strikes.

Mr. Speaker, the third thing that the hon. the Leader of the Opposition dealt with was what is to be done with the mortgage, either that mortgage disappears or the minister leaves Cabinet.

Now, all ministers have been told, and I have applied exactly the same rules to myself: Get rid of everything that could in any way involve you. The ministers know that. They are in the process of doing it. You heard what the Minister of Forestry and

Agriculture said. I have told the House time and time again what I am doing. I have made it clear to everybody that every single business asset that I own is being disposed of. There are only two left. Just before May 5 and just after May 5 two of the four that I had are gone. There are two more and they are both in the process of being disposed of. Hopefully, within the next few weeks or months, they will be gone. There is no conflict in respect to it but I do not want to be involved with it. I do not want to be giving the hon. members an opportunity to come and say, 'Oh, this is terrible. You cannot do this.'

The first thing I did when I was sworn in as Premier was I wrote the Deputy Minister of Public Works and said, I have been in the process of disposing of everything I have, I have disclosed it on my conflict of interest statement, but I own shares in Humber Trust Limited in Corner Brook, that is on my conflict of interest statement. It has a property in Corner Brook and there is nothing rented to the government or anything like that, but you are not to rent or do business with that company so long as I am Premier. The government is not to do it and you have responsibility to make sure. I also have a less than 2 per cent interest in Torbay MERB Holdings, which has an apartment building out on Torbay Road. Those are the only two things that are not now disposed of, but are in the process of being disposed of, and I am trying to find a means of disposing of them.

MR. SPEAKER:
Order, please!

The hon. the Premier's time is up.

PREMIER WELLS:
Thank you, Mr. Speaker.

If I may just summarize, that is the standard and every minister knows that. Just give us a bit of time to get it taken care of. I disagree with the hon. the Leader of the Opposition, sincerely disagree with him. It is not a political difference, but I sincerely disagree with him. You see, if you followed the standard that the hon. Leader of the Opposition is talking about, anybody who had shares, say, in the Bank of Montreal, would have to list all of the property owned by the Bank of Montreal.

MR. RIDEOUT:
There are ministers who have listed their shares in banks.

PREMIER WELLS:
Sure, but not the property owned by the banks: That is the difference. If you followed logically what the Leader of the Opposition is saying, every company in which you had any shares - that any member opposite or any member on this side had shares - would have to list all property owned by them.

MR. RIDEOUT:
That is foolishness.

PREMIER WELLS:
It is not foolishness, it is the reality of it. Now, they can try and cover it by the comment, that it is foolishness, but that is the reality of it.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
The hon. member for St. John's

East states that she is dissatisfied with an answer given by the Minister of Environment and Lands in response to questions raised by her concerning a process of public information and consultation regarding the proposed Outer Ring Road.

The member for St. John's East.

MS DUFF:

Thank you, Mr. Speaker.

I would like to make clear at the outset that my dissatisfaction is in no way the fault of the minister. It is simply because the question arose very late in the Question Period, the minister did not really have time to answer it adequately, and I am not sure I had time to make clear what the intent of my question was. What I want to do now is make it clear.

From the minister's answer I understand that he was basically referring to the process of establishing a board under the environmental impact legislation and that he had not really had time to review the situation to see if such a move was warranted. From my understanding of this, and I will repeat again that we are dealing with a very, very major project, perhaps the most major construction project that has ever been seen in the Northeast Avalon region, the process of environmental impact assessment and review has been going on for perhaps three years, but it is only fairly recently that you have been beginning to get a very widespread and increasing public concern about it, partly because I do not think people were fully aware of either the route, the impact, or what some of the consequences would be.

Now, under the legislation it is my understanding that we are past the point of having a board established to conduct further hearings, and I am not in fact even sure that such a move would be warranted, because the impact assessment that was done did in fact go through an assessment review committee. That committee recommended to the minister that it had met its terms of reference and that no further studies were required, and on that basis the minister then gave the project the go-ahead, and we cannot now meet the fifteen day requirement under the regulations in terms of establishing a board. What I am requesting in light of that, and in light of the fact that some of these concerns are at the present time only beginning to be in the public consciousness, is that the minister would do something that would complete the process that was undertaken, and that is establish a public dialogue by way of an open public briefing, or a public meeting, so that concerned members of the public, with proper officials and consultants present, would have a chance to raise the concerns arising out of the construction of the Outer Ring Road, and get answers.

The previous process which met the letter of the law, was one of having a number of open houses where people could write in their concerns, and many groups did. But the result of how their concerns were handled was they had no chance to question. The document was made public. It is a technical document about two inches thick. It is intimidating to the average person who does not have technical expertise. There was no presentation made, no explanation of the impacts that were identified, of the mitigation

measures, of the process of what happens from here on in. I know that there is a great deal of concern by well-meaning people, by people who have real concern about the environment.

I think it would help that situation immensely if the minister would agree, in the first instance, to organize such a public meeting in co-operation with the Department of Transportation, having the proper expertise present and allowing a full public disclosure, a full public dialogue, on this major construction process. Secondly, if the minister would agree to table publicly the report of the Assessment Review Committee, which is the group that looked at the Environmental Impact Assessment, and recommended, apparently, although I have not seen it, to the minister that the assessment process was adequate and that no further studies were required. If the minister would be prepared to do that I think he would be doing a great public service to the people of this region who are very concerned about what may be happening with that road.

MR. SPEAKER:

The hon. the Minister of Environment and Lands.

MR. KELLAND:

Thank you, Mr. Speaker.

I again thank the member for the question, if for no other reason than it is a matter of great public interest, the question of the Outer Ring Road and the opponents and the proponents of the project. There is quite a chronology of events, Mr. Chairman, in this whole matter, which goes back to 1966 in fact. I think it was called the St.

John's Metropolitan Area Municipal Plan. No doubt the member, wearing another hat, had access to that particular thing which indicated clearly that there was a need for an East-West traffic corridor in the approximate location of what we know the plans show as the Outer Ring Road. That process went on for quite some time, from 1966 up to the present time in fact, and quite a few events took place in that time.

I do not have a document that I can table but I would certainly be happy to provide the member with a copy of this chronology if she does not have it. Some of the interesting things that did happen in there: There were a number of studies, some for the City of St. John's, so I would assume from that that the hon. member has access to copies of the reports. The St. John's Urban Region Plan was prepared by the Department of Municipal Affairs back in 1976, and that was updated ten years later, in 1986. You are aware of that? The hon. member has that copy, no doubt, or has access to it.

There were other studies that related to it, but in 1981, worthy of note - this was mentioned by a couple of people in my department and a couple of people who came to see me about the project - the Northern boundary of Pippy Park was expanded to coincide with the boundary, I suppose, of the Windsor Lake Watershed, the Twenty-Mile Pond watershed. That proposed route bisected the park, in effect, after the expansion. In other words, had the expansion of Pippy Park at that time not taken place, the Outer Ring Road would have been along the boundary. I am sure the hon. member is aware of that.

In 1983 the Department of Transportation, provincially, registered the Outer Ring Road under The Environmental Assessment Act and Transportation and Hydro submitted joint registration with regard to the Outer Ring Road for the traffic corridor and also for the transmission of power.

From there - another one or two points of interest - there was an Outer Ring Road traffic study done by DelCan, which the hon. member is aware of and has access to. But getting down to the more recent past, a draft Environmental Impact Statement, EIS as it is called, was submitted by the proponents on January 8, 1988. The minister of the day then required some adjustments to that and went back to the proponents for additional information. Following that, in September of 1988, the minister released the proponents from further requirements, which the member has just referred to.

What that basically means is that the minister notified the proponent, Transportation provincially, that the statement was in effect satisfactory, that no further studies were required. However, Cabinet authority was still required before the project could go ahead and that is where it really sat at that time. In effect, from what I can gather, Mr. Speaker, the former administration, having taken the project and the consideration of the project up to that point, were required to make some sort of a Cabinet decision, and I am not absolutely certain that, there still could not have been a hearings board appointed to allow public input. As I indicated in my earlier response, I sort of lean towards allowing public input

but have not made a final decision, as an individual minister, at this stage of the game, I am still gathering information and having it assessed.

But the former administration really sort of dawdled a bit with this. They could have made a decision in Cabinet to proceed or not proceed or have additional public input, in a formal sense, because the only public input, as I understand it, was sort of an open house type of arrangement. I believe the hon. member, Mr. Speaker, may have attended one of those open forum meetings. I do not know if she attended more or not, but one at least. I believe that is correct. This is the one the proponents attended with their officials, providing information and answering questions when they could, but it was not a formally structured public hearing before a board.

Now the former administration could have done that. They also could have made a decision in Cabinet to either go with the project or not go with the project. And in that interim, of course, the public pressure for additional input has mounted. There have been letter writing campaigns. The former minister, for whatever reason - I do not know the reason had been requested by the Pippy Park Conservation Group to have a meeting and he did not have a meeting with them. I do not know the reason. Perhaps the hon. member's colleagues could inform her of that.

The same group requested a meeting with me, as the present minister, and I agreed to the meeting, had the meeting and listened to their concerns. I am continuing to do that, by the way, with anyone who

has a proposal.

MS DUFF:

What have you decided?

MR. KELLAND:

Well I think I have answered that. The point is -

MR. SPEAKER:

Order, please!

The Speaker is never good as a timekeeper, particularly when the hands get in between the figures. But it does seem like, it appears like the hon. member has used his time.

MR. KELLAND:

I could try to wrap it up very quickly.

I have already, I believe, answered that, that I have not reached a final decision, and to tell you what I am going to do before I reach a final decision would be a little ludicrous. I am disappointed that you are not satisfied, and perhaps when there is a longer time I can see if I can satisfy you with respect to your questions.

Right now it is still being assessed. The officials in my department, and I speak to them fairly regularly on it, are working on it still. We are still considering whether or not we would give the opportunity for public input. And if we do, fine, and when the paper is ready it will go to Cabinet and a decision will be made. We do not intend to let it go by the wayside and hope somebody else will take up the slack like the former administration apparently did.

Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition states his dissatisfaction with answers given by the Premier in response to questions raised by him re the former Executive Assistant to the Minister of Municipal and Provincial Affairs.

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Mr. Speaker, let me say first of all that personally I know nothing of the former Executive Assistant to the Minister of Municipal and Provincial Affairs. I never met the man, as far as I know. And like most Newfoundlanders and Labradorians I was amazed, quite frankly, with the allegations that that person has made regarding the activity of a Minister of the Crown. I do not know the man politically, I do not know him personally, I do not know him at all. But as member of the public I was amazed with the allegations that were made regarding his involvement with the Minister of Municipal and Provincial Affairs. But the nub of the matter, as I recall it and as I researched it, Mr. Speaker, seems to revolve around the fact that the gentleman was promised a policy position, a position where he would have influence on the policy direction of that particular department, and, of course, the minister and the Premier says that is not the case.

I should remind the Premier that I am aware of at least one other

Executive Assistant who has said publicly that development of policy was part of their role. So the Premier might need to talk to other Executive Assistants as well, I do not know, but I do know there is at least one other executive assistant saying publicly that he or she was told when hired that policy development was part of the particular job description. So I do not know if that has any impact on the dispute between the minister and his former EA or not.

The other thing, Mr. Speaker: There seems to be some dispute about what happened politically. That is one thing we can not do much about, only observe it, I suppose, from this side of the House. But there is another in terms of letters.

It is our understanding that there were two letters on this particular issue, one letter saying that the request made, I guess by the member for Gander, which is right and proper, did not fit the programs in the department and, therefore, could not be funded. That is one letter.

We understand that there was another letter following that - this is what the former EA says - signed by the Deputy Minister which says that the funding was approved. Now, it cannot be any more simple than that.

MR. SIMMS:
Somebody is lying.

MR. RIDEOUT:
I am not making any allegations. I have no proof to make them. I cannot refer to The Conflict Of Interest Act or anything of that nature. I am doing what anybody in the public would do, I suppose,

and that is that this is a rather weird situation to have developed in only five or six weeks that appears to have its origination in a dispute as to whether or not the person involved was to have a policy role.

Secondly, it then goes on to a more substantive matter, where there is the allegation that there were in existence two letters, one saying the request did not fit the program and the other one saying that it had been approved.

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
Thank you, Mr. Speaker.

Mr. Speaker, I sought the letter and I have it, the letter that the hon. member referred to. I will read it for the House and I will table it.

The letter is dated June 7, directed to the hon. the President of Treasury Board, who had made the enquiry on behalf of his constituents, which the hon. Leader of the Opposition acknowledges as an entirely appropriate thing for the minister to do.

AN HON. MEMBER:
Day-to-day work.

PREMIER WELLS:
Day-to-day work.

Here is the response:

"Dear Colleague:

"Further to your letter of May 24, 1989, regarding a request for funding for the Avion Players trip to Victoria, British Columbia, I have checked with Mr. Bill Frost,

our Assistant Deputy Minister, and he has advised that there are no funds available to amateur groups for travel purposes. The Avion Players had already approached the department for funding and had been advised of that.

"The department has no funding programs that can be of assistance to the Avion Players. I regret that I will not be able to oblige you in this matter."

So I am happy to table that.

SOME HON. MEMBERS:
Signed by?

PREMIER WELLS:
That is signed by the Minister of Municipal and Provincial Affairs.

MR. SIMMS:
The minister?

PREMIER WELLS:
That is right, the minister.

The Deputy never wrote a letter. Now, I do not know because I did not stand over the Deputy all of the time.

MR. SIMMS:
Did you ask?

PREMIER WELLS:
Yes.

MR. SIMMS:
Did he draft a letter?

PREMIER WELLS:
The Deputy has advised that he at no time wrote any such letter and, to the best of his knowledge, no such letter was written by anybody. Now, I can only take the word of the Deputy. I cannot do anything other than that. I frankly have no cause to believe that the Deputy is lying to me,

but obviously I cannot guarantee to the House that no such letter exists. If it does, the Deputy is denying it to me.

AN HON. MEMBER:
He would not do that. It is embarrassing.

PREMIER WELLS:
That may be. I do not know.

With respect to the two other points raised by the Leader of the Opposition, the statement that some Executive Assistant thinks that he is establishing government policy, whoever the Executive Assistants are they better know now that Executive Assistants do not establish, declare, promote, maintain or expound upon government policy. Members of government are going to do that and nobody else. So any Executive Assistant who has those dilusions of grandeur let him now be disabused, it is not going to happen. So I do not accept what the hon. the Leader of the Opposition has said. I do not know of any Executive Assistant who exists who would be so foolish as to think that. That is why I cannot understand the illogical comments of Mr. Baird, they just do not make sense. Does he think that he was elected, and not only elected, but also sworn into the Cabinet? That is the way he is talking, and clearly it is not so.

Now, whatever motivation Mr. Baird has for making these kinds of comments, I can only say I am sorry to see him do this. It does not do him any good. I do not think it helped his position any. There was obviously a difference, and there was obviously a reason for Mr. Baird's leaving. That is understandable. I can say to you that everything that I have heard

attributed to Mr. Baird in the last few days, since his resignation, is totally inconsistent with everything else that I am aware of, totally and completely inconsistent, and totally and completely inconsistent with everything that Mr. Baird had said to me in the past.

So I can say, Mr. Speaker, to the House that what I hear coming from Mr. Baird now is completely inconsistent.

MR. R. AYLWARD:

Have you contacted Mr. Baird?

PREMIER WELLS:

I have not tried this afternoon. I left a message and I do not know that he has tried to contact me. I have no indication that he has tried to contact me back.

MR. WARREN:

You tried to contact him three times.

PREMIER WELLS:

I have no idea. I do not accept what the hon. member says. He just flings these statements out to test them and to get people to respond without any concern for whether they have any validity or truth or not, like the statement that he made about Patty Starr, or somebody, so much so that I do not know which Mr. Warren is making the statement, the Ontario Mr. Warren or the current one.

But to deal completely with the questions raised by the Leader of the Opposition, Mr. Speaker, I have to say that I am assured by the Deputy Minister that no such letter exists. I have tabled the only one that I am aware of.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Speaker.

I wonder if we could address the question of the adjournment motion.

MR. WARREN:

Three times you tried to get him. He would not return your calls.

MR. SPEAKER:

Order, please!

MR. BAKER:

We mentioned yesterday that by agreement we would have a sitting to try and speed up the budget process. I wonder if we would dispense with the adjournment motion and simply continue on at 7:00 p.m.

MR. SIMMS:

Sure, whatever you want to do. But I am not sure in parliamentary fashion if that is the accurate way to do it. Do we need a motion?

MR. BAKER:

We can agree.

The House, Mr. Speaker, by agreement, can do whatever it wishes. Yes, it can do things like this.

MR. SIMMS:

Well, if the hon. the President of the Council is absolutely certain, and Your Honour is satisfied that is a satisfactory way, then we have no objection, Your Honour.

MR. SPEAKER:

The House can agree to dispense with the adjournment and just carry on this evening. In any event, Your Honour will be in the Chair at 7:00 p.m. and I hope that

hon. members will honour me and grace me with their presence.

SOME HON. MEMBERS:
Hear, hear!

Recess

The House resumed at 7:00 p.m.

MR. SPEAKER:
Order, please!

MR. BAKER:
Motion 2, Committee of Supply.

MR. SPEAKER:
It is moved and seconded that I do now leave the Chair for the House to resolve itself into Committee of the Whole to consider certain resolutions.

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

Committee of the Whole

MR. CHAIRMAN:
Order, please!

The hon. the Minister of Finance.

DR. KITCHEN:
Mr. Chairman, I would like to have a few words on Bill No. 3, "An Act To Amend The Income Tax Act". The purpose of this bill is to increase the income tax from 60 per cent to 61 per cent for 1989, and 62 per cent for 1990 and subsequent taxation years. The various other parts of the bill refer to that.

MR. CHAIRMAN:
Shall the resolution carry?

MR. SIMMS:
Mr. Chairman.

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

MR. SIMMS:
I will just make some general comments first, Mr. Chairman. This particular bill will not be passed in short order or anything of that nature, I might as well mention that right up front. And essentially the problem we had with the bill obviously is the fact that there is an income tax increase being proposed, and that is not something that obviously anybody on this side of the House would support. I would be surprised if members on that side of the House would support it. But I guess they will because it is their government that brought in this particular drastic measure.

Mr. Chairman, just a general comment in relation to it, and we will get into some more debate. Our Finance critic will have some comments to make on it, obviously, but I just want to say at the outset that this is one of the bills that we intend to have some debate on. There are other members on this side of the House who I think would like to have a few words to say in a general way. And it is a pretty wide-ranging debate, of course, obviously allowed in this kind of a bill. We do not have a problem, as I understand it, but our Finance critic will elaborate on Clause 4 of the bill. But certainly with respect to -

AN HON. MEMBER:
Can not government raise the rate?

MR. SIMMS:
Not allowed to raise the rates?

The government is allowed to do what it wishes I guess, if it wants to use its majority to force it on the people of Newfoundland and Labrador, and that is exactly what they are doing.

Well, Mr. Chairman, I want to talk in general terms about the budget itself and the drastic measures taken by the government, in general, and the dissatisfaction of the people of Newfoundland and Labrador with the budget overall.

MR. EFFORD:

Oh, no! Not at all!

MR. SIMMS:

Oh, absolutely! Now the Minister of Social Services might not see it that way, but he is looking through rose coloured glasses, let me tell him.

MR. RIDEOUT:

Whistling past the graveyard.

MR. SIMMS:

If he thinks that the people of Newfoundland and Labrador are in love with this government because of the tax increases that it imposed upon them, then he has gone further than any of us ever expected him to go in a short period of time, seven week, or eight weeks or two months.

MR. EFFORD:

We have to pay off your debts now, your bad debts.

MR. SIMMS:

Oh, that is a great excuse, Mr. Chairman, but that is not exactly true, and that is the point to which I want to refer. The fact of the matter is, with respect to the financial situation of the Province, everybody knows, because the Minister of Finance himself told everybody in the Province,

that the new government was faced with a deficit of \$2.5 million.

SOME HON. MEMBERS:

Oh, oh!

MR. SIMMS:

Two and a half million dollars was the deficit announced by the Minister of Finance, \$2.5 million. And most economists will say that that almost represents, basically, a balanced budget. That is what most economists will say. So do not try to pull the wool over the eyes of the people of the Province by suggesting that you were faced with a large debt or deficit. You were not. You had a deficit of \$2.5 million. That was the financial position of the Province. So the minister is misleading the people if he is going to try and pull this bluff and tell everybody that they were facing an \$88 million deficit. What they were facing, Mr. Chairman, as we all know, were some decisions that had to be made with respect to programs that the government might wish to implement, in the same way as we would have had to face those kinds of decisions. The difference could be that the government did not necessarily have to approve all of those items that were facing them for decision. It did not have to do that. You choose to do that because all of those initiatives totalled \$88 million or \$90 million, and the way to get around it, of course, would be to implement tax measures that would total roughly the same amount.

But you did not even do that. The government went ahead and introduced tax measures that not only equalled all of these new programs, but went in excess of it so that you could come forward to the people of Newfoundland and

Labrador and say, 'My, what a wonderful job we have done as a government, what a great job. We have only been here a few weeks and, my God, what a wonderful job. What a disaster we had facing us. What a disaster the previous government left us with.'

But I say to the Minister of Social Services that is not washing in the eyes of the public, because the economists themselves have said, and have repeated what the Minister of Finance told the House, that there was \$2.5 million deficit remaining from last fiscal year. That is what was left, basically a balanced position. Now if the government wanted to initiate all of those items that were facing them, all of those programs that were facing them, if they wanted to they could do it, and that is what the government decided to do, implement all of them. And the easy way around it would be to crucify the taxpayers of the Province, sock it to them, and impose another \$100 million of taxation upon us to pay for all these new measures. He did not have to do that, I say to the Minister of Social Services, and that is my point. But they did choose to do it and I do not think the public of this Province are looking very favourably upon this government at the present time as a result of that. Not only as a result of that, that is only one item, but all of the other items that have been exposed here in the House over the last few weeks, conflicts of interest galore, coming out of your ears, Mr. Chairman, all over the place.

MR. WARREN:
And more to come.

MR. RIDEOUT:

And the Premier covering it up.

MR. SIMMS:
Well, I will not accuse him of covering anything up.

MR. RIDEOUT:
He said you could go to court.

MR. SIMMS:
Well, okay. But 'covering up' is not a phrase I like to use in the Legislature. But I do understand what the Leader of the Opposition is saying. The Premier, as the Minister of Social Services just tried to do, is trying to cloud the matter, cloud the issue.

MR. DOYLE:
Cover it up.

MR. SIMMS:
Well, I do not want to use that term, you see.

MR. DOYLE:
Why not?

MR. SIMMS:
Because I do not want to. But he is trying to colour it for the people of the Province, trying to colour it by suggesting that there is nothing wrong in any of these instances, when everybody in the Province, all they have been hearing about this week is one conflict upon another, this one, that one, the Minister of Justice, the Minister of Forestry and Agriculture, Minister of Health, and Minister of Municipal and Provincial Affairs.

MR. WARREN:
And more to come!

MR. SIMMS:
I say to the hon. member for Torngat Mountains we should not pass out any information at this stage. There is more to come, and

there is a lot more time. We can be here now for the next several weeks and, now that we have the estimates basically out of the way, there are lots of other things that could come up. Of course, there is always the possibility in the budget debate tomorrow, which, I understand, we will be pursuing, there could be a traditional motion placed that would allow everybody to speak again. That is always a possibility.

But it depends, as we have always said, on how forthcoming the government is, the ministers are with respect to questions that we pose. It also depends upon the attitude of the government. If they are going to continue with their arrogance, if they are going to continue to attack us, blame everything on the previous administration, then hon. members are silly if they think that we are going to stand by and just let that occur, because we are not going to let it occur. So I want to tell the hon. Minister of Social Services to consider that as he is sniping across the floor, tossing all these little things back at us over here, that we are not going to sit by and let that happen. We are going to tell the people of Newfoundland and Labrador the way it is.

However, we do not have to do much in the way of explanation because the government itself is doing a magnificent job, a magnificent job, I believe, of fooling the people. They have done it many ways. This Bill here is just the tip of the iceberg, because we all know of all the other taxation measures that were implemented, and the Minister of Finance should hang his head in shame. He should hang his head in shame. We saw

the Minister of Finance and his performance early on, and it was not much to be proud of, I do not think. The minister himself, I think, feels pretty bad about it. I think the minister himself feels badly because he introduced an Interim Supply Bill for \$1.4 billion in his name and did not even have the decency or the courage, or whatever, to stand up in this House and introduce that Bill.

Now that was the beginning. We saw from then on, after the Budget was tabled, members on this side of the House, particularly our colleague from Grand Bank, the Finance Critic (Mr. Matthews), do a magnificent job, I think, in responding on our behalf to the Budget Speech.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

Actually spoke briefly, for five or six hours or whatever it was, just to make a few salient points, and he did a very good job and, to my recollection at least, did not repeat himself on one occasion.

SOME HON. MEMBERS:

Hear, hear!

Not once, but dozens of times!

MR. SIMMS:

To my recollection, I said, to my recollection. I do not believe the member for Grand Bank repeated himself once, not once.

Now, Mr. Chairman, then what we saw was the member for Grand Bank ask the Minister of Finance several questions on several occasions.

MR. WARREN:

But with no answers.

MR. SIMMS:

Well, not no only answers, but the minister would not even stand up. He would not stand up. Now there is the performance of the Minister of Finance. First, in the beginning he could not introduce his own \$1.4 billion Interim Supply Bill, had to go running off to Wins, as if Wins knew what it was all about.

MR. HEWLETT:

Now, that is bad.

MR. SIMMS:

Yes, we did see that. I do not want to attack the President of Treasury Board because he will only get up and attack me back, but I know the Minister of Finance will not do that. This is the progress of the Minister of Finance. Then what did we see? We finally saw him the other day, in the Late Show, last Thursday in the Late Show. Now, boy, I will tell you -

MR. RIDEOUT:

It would make a better road show.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

Yes.

Then it became very evident and very obvious that the entire government caucus - I do not believe the Premier was here. I am not quite sure, but I think the Premier was off galavanting around somewhere Montebello - was it? - at that time, or wherever.

MR. DOYLE:

No, he had a cabinet rented at Meech Lake.

MR. SIMMS:

One of these exotic places maybe he even went to Meech Lake. Who knows? Perhaps he went out playing golf. I understand the Premier went out and played golf at Terra Nova on a Saturday. I do not know what day it was. All I know is I believe he flew by helicopter to go there. I heard that.

PREMIER WELLS:

That was a rumor.

MR. SIMMS:

That was a rumor? Okay. I thank the Premier for clarifying that.

PREMIER WELLS:

It was unfounded, as all the others were.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

The Premier would like to have the people of Newfoundland believe that.

Anyway, let me not be distracted by the Premier's interjections, his comments across the floor, again, a Walking Contradiction of everything he preached about decorum in the House. Here he is now engaging me, interjecting, making snide remarks. So unbecoming!

I want to get back to the Minister of Finance. So we saw the Late Show last Thursday afternoon. Now, here is a minister who would not present a \$1.4 billion bill. Then he would not stand to answer questions in the House. We thought it was arrogance, but it was not arrogance. It was crazy glue, my friend from Grand Bank said. He just could not get up. I suppose he was nervous, being a

new minister and all the rest of it. I do not know. But anyway the entire caucus called a meeting. So let us get Herb in this meeting and let us give him some enthusiasm, let us give him some encouragement, and let us get him out there for this half-hour Late Show today. He has got a bit of time to plan. The Speaker announced it an hour beforehand. He has an hour to plan. He is only going to speak for five minutes maximum, but he has an hour to plan for it. So some of the bullyboys over there, the member for St. John's South, no doubt, the member for Lapoile, heavy-handed people, certainly the Minister of Social Services, probably the caucus chairman -

MR. WARREN:

The member for Labrador.

MR. SIMMS:

Yes, because he has that ability to get people fired up. And we must not forget the member for Placentia.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

I would say the member for Placentia walked up to Herb and said, 'You better get up there this afternoon, boy, and give it to her.' By golly! Do you know what happened? We all saw it in this House. I do not know if the Premier was here. I do not believe he was. He missed a magnificent performance, second only to the performance of the Minister of Development over the last couple of days. The Minister of Finance stood up in this House and he lambasted the Opposition, tore them apart. He got so excited that he was seen to clap for himself.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

That was a magnificent performance.

So we are looking forward, after these brief preliminary remarks as to the approach we are going to have, Mr. Chairman, to debating this bill and the other bills that are coming up. I just wanted to sort of set the tone, give you an idea that we are going to debate them. They are not going to be passed easily. We want to see the Minister of Finance get up and respond to some of the questions that will be forthcoming. I know he is going to get up now and say, 'There is nothing coming forth. You did not ask any questions.' That is true. I did not ask very many questions at this stage. But we have questions to come, I just want to forewarn him, and we would like to hear from him now, perhaps, as to whether or not he is prepared to accept amendments to any of these bills he is bringing in, particularly this particular bill here.

Would the Minister of Finance tell the House whether or not he would be prepared to entertain an amendment to this particular bill when he stands to speak?

Thank you, Mr. Chairman.

MR. SPEAKER:

The hon. the Minister of Finance.

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

Mr. Chairman, we had no alternative but to increase taxes this year. We have a certain agenda that we wish to carry out, minor amendments to the proposals

that were laid on the table before we came here, but we did want to begin our expansion in education, we did want to expand health care in the Province, and we did want to get our Economic Recovery Team going. In addition, Mr. Chairman, we had a much more important job to do than any of that, and that is to restore the credibility of the Newfoundland Government with the people of the Province and of the world.

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

We brought in an estimated surplus of \$5.3 million, which is not really a surplus at all. We do not know if it is going to be a surplus. We estimate that we will have a surplus, but when you estimate \$5.3 million on \$2,778,000,000 it is pretty hard to target it and be exactly on course at the end of a whole year, particularly when we do not know what the economic situation will be or anything like that. It is less than one fifth of one per cent of the total expenditure for this year that we are estimating, so we had to raise taxes to have this surplus. Now, we have a small cushion - that is all it is - a small cushion for what may happen. That is what a prudent government does, like a prudent householder does. You do not spend it all, if you can help it at all, you put away a few cents in the mattress or put a few cents somewhere in case something happens.

Many have been the suggestions from members opposite as to how to spend that. Every one of them had an idea as to how to spend it. Spend it on this, spend it on that, spend it on something else.

People on this side were saying why do you not spend it on this. The Premier said, give us the money for this. But, no, Sir, we stuck to it, we are going to do our best to keep a small surplus. We have to do it, because, Mr. Chairman, we have had, in the past six years, deficit after deficit after deficit, and some of those times were pretty good times in some ways. The thought is, and the economists generally tell us, that when times are relatively good what you have to do is put a bit of money away for the bad times. But did those profligate creatures -

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

- honourable profligate members, say no? In 1982-83, Mr. Chairman, they went \$37 million in the hole, and in 1983-84 they went \$59 million in the hole.

SOME HON. MEMBERS:

Shame, shame!

DR. KITCHEN:

In 1984 they went \$87 million in the hole.

SOME HON. MEMBERS:

Shame, shame!

DR. KITCHEN:

And the next years: \$44 million in the hole, \$27 million in the hole, \$28 million in the hole, and last year \$2 million in the hole.

Now, Mr. Chairman, this is a disgraceful performance. I am absolutely certain of this.

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

But, I believe the last forecasted surplus was when the last Liberal government came along -

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

- when the last Liberal Minister of Finance, the hon. Joseph R. Smallwood, brought in a balanced budget and, by gum, we are going to continue to bring in balanced budgets as much as we can.

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

I am alarmed at this profligate spending. We have heard about the ministers. Somebody showed me the other day that one of the ministers, now opposite, spent \$420,000 in three years on travelling and expenses in his office. Can you imagine that amount? Almost half a million dollars in three years. What is going on here? I tell you it was so bad, the way these were traipsing around the world and spending money on parties, wherever you went! The Humber East member, I went to Gander one time to a meeting of the NTA, wallowing in booze. Civil servants, whosoever will may come. This is not the way to run a government. It is not the way.

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

The like has never been known. It has never been know, not since the Roman Empire, not since the days of Nero, not since the days of Caligula.

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

And, Mr. Chairman, you know about Caligula. Caligula, remember, was the Roman Emperor who made his horse a consul. Now, Mr. Chairman, I do not know who the Premier before last made his Finance Minister; it was not the whole horse, but it was part of a horse, and I will not say which part.

Mr. Chairman, we do not really have a surplus at all. There is no \$5.3 million surplus. That was only on current account. We have to look at the capital account as well, and if you take in the \$258.7 projected deficit on capital account then our overall deficit is \$253 million. We are still in the hole and that is the main point I want to make. We charge schools, for example, up to capital account, and every year we build schools, \$20 million, \$27 million, it really is not capital, but it is sort of replacing and rebuilding. You could almost make a good strong accountancy case for charging it off against current revenue. We do not, but you could make the case. So it is just a figment what is current and what is capital, it is partially a figment.

MR. WINDSOR:

Most provinces do that now.

DR. KITCHEN:

Some provinces do that, some people do that, some accounting mechanisms do it, and perhaps we should do it as well. But do not let us fool ourselves that we are in good financial shape because we are not. We are trying to become in good financial shape. That is what we are trying to do.

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

Mr. Chairman, I want to tell you about the public debt of this Province and how it has mounted in the past years of this previous administration. You remember, when Commission of Government gave it up, they turned over a small surplus - what was it? - \$40 million, I believe. And somebody did a few hen houses here and a few boot and shoe factories and that kind of stuff, and I can remember the debate at the time about how serious it was to spend that surplus. I do not know if you can remember. Some do not remember, some do. But the point remains that the provincial debt when we entered Confederation was virtually nothing and it gradually increased very slowly. When this party left office, or was thrown out, in 1971, when we were turfed out before, the total debt of this Province after twenty-two years of government was less than \$1 billion.

SOME HON. MEMBERS:

How much?

DR. KITCHEN:

Less than \$1 billion, some \$866.4 million.

Then it started to jump up. Every year up she went. It went up, until in 1977 when it passed \$2 billion. Then up she goes, in three or four years, 1982, past \$3 billion, then she ran up to \$4 billion in 1985-1986, and now she is \$5.2 billion we are in the hole, and we are not proud of that.

Not only that, but we have an unfunded pension debt of \$1.5 billion. You cannot add that to it, I know, but it is something to keep in mind. In other words, Mr. Chairman, what we have done here over the past seventeen years is

spend like drunken sailors, spend, spend, spend on ourselves mostly, waste, waste, waste and not being careful of the government money and not handle the tax situation.

Now we have had to come in in a very responsible way to try to do something about that, and this is why we have had to raise income taxes.

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

I do not know how members opposite thought they were ever going to pay off this debt. I do not understand it. I know some people, when they have a mortgage on their house, what they sometimes do is buy lotto tickets and hope that they will pay it off on the lotto. And that was the strategy of the administration before the last one, the penultimate administration. They had a lotto and it was called Hibernia. Put it all, spend it all, and we will win the lotto, we will come in with the chips, and that was their financial strategy. Then, of course, a little kicker called Sprung, a mule kick.

Mr. Chairman, one dollar in six that we spend is to service our public debt. We do have a serious question with respect to our debt and we have to take care of it, and we have to also take care of the people.

I would like to indicate in a few minutes, if I may, the credit rating of the Province. The credit rating of this Province, Mr. Chairman, is not so bad today. It is certainly better than it was two weeks ago. It is a lot better than it was two weeks

ago.

SOME HON. MEMBERS:

Hear, hear!

DR. WARREN:

Two months ago.

DR. KITCHEN:

Two months ago, I am sorry.

In 1984, Standard and Poor had us an A rating. Remember those deficits that I was reading out there for every year? We went in 1984 - 1985 to A minus, and we have been at A minus since. That is the only thing we have got called A. Moody's has rated us B all along, and the other two bond rating agencies rate us B. There is only one other province in Canada which has as low as A minus and that is Nova Scotia. Nova Scotia has A minus with Standard and Poor's, but they have an A with Moody's.

All the other provinces are higher: Alberta, Standard and Poor's AA+, Moody's AA1; British Columbia, Standard and Poor's AA, Moody's AA2; Manitoba, Standard and Poor's A+, Moody's A1; New Brunswick, Standard and Poor's A+, Moody's A1; Ontario, Standard and Poor's AAA, Moody's AAA; Prince Edward Island, Standard and Poor's, not rated, Moody's A3; Quebec, Standard and Poor's AA-, Moody's AA3; Saskatchewan, Standard and Poor's AA-, Moody's A1.

Mr. Chairman, I have no apologies for raising taxes. I do not like to do it, but we have to do it.

SOME HON. MEMBERS:

Hear, hear!

MR. MATTHEWS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Chairman.

I do not know what calls the hon. gentleman to get up and perform so admirably this evening. I am not sure if it was my colleague, the Opposition House Leader, who sort of barbed him to get up and speak the way he did, or if, perhaps, he has been into some of this stuff that he accused us of wallowing in before when we were in government. I am really not sure what brought on the courage.

MS VERGE:

He said we were wallowing together.

MR. MATTHEWS:

Wallowing together. I noticed you took exception to that.

SOME HON. MEMBERS:

Hear, hear!

MR. MATTHEWS:

I assure you that all the males on this side take exception to that, as well.

SOME HON. MEMBERS:

Hear, hear!

MR. MATTHEWS:

There are a few things, Mr. Chairman, that I would like to point out, as already raised by my colleague, the member for Grand Falls, when he talked about the impression the Minister of Finance tried to project on the people of Newfoundland and Labrador. He tried to pretend that, in essence, he was facing a \$90 million deficit. I would like, once again, to refer him to Page 11 of his own budget speech, where he said, indeed, the Current Account deficit was \$2.1 million, and "The

improvement of \$39 million from Budget resulted almost entirely from stronger than projected revenue flows." For the minister's sake, I hope that continues this year and for the next five or six years, most notably, in retail sales tax and equalization payments from the Government of Canada.

"The 1988-89 Capital Account net expenditure was \$5 million higher than projected, and the total budgetary requirement was therefore \$34 million less than Budget." That is a very revealing statement made by this minister of Finance, who tried to impress upon the people of this Province that he indeed faced a \$90 million deficit. In his own document, he says differently.

MR. R. AYLWARD:

The Minister of Social Services did not read that.

MR. MATTHEWS:

Of course, the Minister of Social Services looks bewildered, because he says, no, that cannot be Dr. Kichen's Budget Speech. But indeed it is.

MR. R. AYLWARD:

That is not what he was told.

MR. MATTHEWS:

That is not what he was told and, of course, he, like all the other ministers in Cabinet, believes what someone told him. And we do not know who did the calculations.

I would like to again just refer to a point made by the Minister of Finance when he said that this new government set their own agenda, and they set the direction in which they wanted to take this Province in the next one to five years. It will not be any longer

than five, because that is the maximum you can go in a term. I assure the hon. minister it will not be any longer than that.

SOME HON. MEMBERS:

Hear, hear!

MR. MATTHEWS:

But what he, I guess, agreed to tonight, and confessed, was that when they put together their agenda for this fiscal year, and what this government wanted to do in this Province, they were facing a \$90 million shortfall, and they could have done one of two things. They could have reduced the size of the agenda and consequently reduced the size of the fiscal requirement they needed. They could have said, Let us do a \$45 million requirement, and consequently reduced the tax burden on the people of the Province; or they could have staggered it over a number of years.

The minister went on and referred to a number of deficits over the last four or five years. You could have made a decision to not have a \$5 million surplus this year, which, again, could have reduced the tax burden on the people of this Province. That was your choice as a government and the people of the Province elected you to do that. You chose to go with the \$90 million requirement and to get not the \$90 million, but the \$95.3 million which you have now confessed tonight, because you have a \$5.3 billion projected surplus. You were not contented to just tax to the tune of \$90 million to balance your budget, you taxed them to the tune of \$95.3 million.

Of course, we have raised questions over the last month or

so in this House, since the budget speech, as to why indeed you wanted to bring in a projected surplus, which tonight I sort of think you admitted. I, in my reaction to the budget speech and debate here, said that you are going to be way off the mark with your projections. I went as far as to say you will probably come in with a \$20 to \$40 million deficit. Now, that was just a guess. I remember the President of Treasury Board at the time laughing. Now, he laughed for one of two reasons; either because I was correct or because my projections were far lower than what he really knows is going to happen to this budget this year.

So, what did you do? You went and you raised taxes on everyone and everything in this Province. We have been trying, for the last two weeks particularly, to try and get the minister to table a list for us, a request that came first from the Estimates Committee and then the next day in this House of Assembly. With some of his colleagues present that night at the Estimates Committee he agreed to table a list for us of the various fee increases that the people of the Province were being hit with this year, and we have not yet seen the list. Now, certainly the officials of the Department of Finance should be able to very quickly and readily provide the minister with a list. I do not expect the minister to be able to stand in his place and give us the list of the fee increases for the people of the Province, but certainly in a week or ten days his officials should have been able to provide him with that list.

Now, maybe, again, there is more confusion, as we saw with the

Minister of Finance when he tried to convince the people of the Province that we were not the highest taxed people in Canada. Of course, when he got questioned about that and we on this side and members of the press sort of took exception to that remark, the minister admitted that he did not fully understand the formula for calculating tax burden as compared across the whole country.

I see the member for Placentia smiling because he knows once again that I am not repeating myself; as my colleague said, in five hours I would have to repeat that.

SOME HON. MEMBERS:

Hear, hear!

MR. MATTHEWS:

So maybe, again, the officials do not know. Maybe the officials cannot provide the minister with the list.

Now, in the Estimates Committee we were able to squeeze from the minister five or six fee increases that were in the tune of 100 per cent to 200 per cent, which were very staggering. Students, waiters, brewer's agents, all across the board some staggering fee increases.

I, as well, would like to say to the hon. Minister of Finance that he talked about a favorite topic of the Province the last couple of years, Sprung. I do not mind talking about Sprung. He talked about what it has cost the taxpayers of the Province. I would just like to say to him that over the next five or six years his government is going to spend somewhere in the order of \$30 million on an Economic Recovery Team. Now, like I said -

SOME HON. MEMBERS:

Two terms.

AN HON. MEMBER:

You said five or six years.

MR. MATTHEWS:

Well, five or six. That could be five or it could be six. All I can tell you is it depends on the results after the end of this term. The Premier, I am sure he is going to be forced to the wall if it goes five years, because he will not have any flexibility left. He will have his back to the wall, he will call the election and be turned out of office. Then we will have to make a decision, after the fifth year, whether we will continue with the sixth.

I would say in all sincerity that the Premier himself will want to disband the Economic Recovery Team between two and three years time.

MR. SIMMS:

It is not even set up yet.

MR. MATTHEWS:

No, it is not set up. It is going to take a while.

What I am saying, and I have said it before and I will repeat it again because I think it is worth saying, is what more can Dr. Doug House recommend or come up with than he already did in his Royal Commission Report and his recommendations? If he can, I give credit to the Premier for setting up the Economic Recovery Team. But all I can say is that Sprung, with some \$20 million or \$21 million, was employing at one time 210 people, I believe. It has gone down some since then for good reason, as my colleague from Humber Valley said, who has a better grasp of this than anybody

in this House, and I say that very sincerely. I guess that was the reason that **Canada A.M.** spoke to him this morning, because they could not get any answers from anyone on the other side and they had to call him to talk about it.

MR. SIMMS:

They phoned the Minister of Agriculture.

MR. MATTHEWS:

Well, yes. But I can understand the Minister of Agriculture not wanting to talk about it. It is very complex, and the **Canada A.M.** people could not make any sense of it so they called my colleague, the member for Humber Valley.

All I am saying is that the Economic Recovery Team over the next five or six years will cost a minimum of \$30 million. The five or six people on that team, are already employed in good paying jobs, and if they can come up with ideas that can create 500 jobs in this Province it will be a miracle. And I am sure if you could poll members opposite secretly, in their thought processes, if they were honest on what they thought about the Economic Recovery Team, I know that there are a lot of them over there wonder what the Economic Recovery Team is all about and why their own government is going to spend that money on an Economic Recovery Team. Now, if it turns out to be good for the Province, great. But my bet today, and most people's bet in the House today, and most people around this Province are asking, What else can the Economic Recovery Team do that has not already been done in this Province?

We are dealing with an economy in

this Province, in the private sector and public sector, that is weak. It needs a mix between government assistance and the private sector. I do not honestly know what else the Economic Recovery Team can come up with. It is spearheaded by Dr. House, whom I have a lot of respect for -- do not think that my comments mean that I do not have respect for Dr. House because I do -- but I think that man, in his Royal Commission on Employment and Unemployment, exhausted his ideas. I do not know what else he is going to come up with that is going to help the economic situation, the job opportunity situation in this Province. I really do not know. I live in rural Newfoundland and, as I said before, I have gone through a process, with the Burin Peninsula Development Fund, of trying to come up with ideas for rural communities to utilize money that was in a fund, and it is not very easy.

MR. CHAIRMAN:
Order, please!

The hon. member's time has elapsed.

MR. MATTHEWS:
I will finish up.

MR. CHAIRMAN:
By leave?

SOME HON. MEMBERS:
By leave.

MR. MATTHEWS:
I will just conclude my remarks with this, Mr. Chairman: It is fine for members opposite to spit Sprung off their lips tonight, it is fine for \$20 million or \$21 million but, as I said a few weeks ago, there will be something else that will replace Sprung with this administration, that will be very

popular on the tongues of Newfoundlanders and Labradorians, and my guess tonight for this administration, besides conflict of interest, is that it is going to be the Economic Recovery Team.

MR. CHAIRMAN:
The hon. the Premier.

PREMIER WELLS:
Mr. Chairman, I just want to take a few minutes to address a few remarks on the comments that the hon. member just made about the Economic Recovery Team and about Sprung.

When the accounting is all done my best guess at this moment is that Sprung will have cost the taxpayers of this Province about \$22.5 million. It may go a little above or it may go a little below that, but that is sort of what I think the figure is going to be. A shocking waste! Worst still, that facility that was sold yesterday at auction, when appraisers appraise something they look at its ability to produce income as one measure of its value -- as an income producing facility it has a certain value; as real estate or a piece of real property it can have perhaps a somewhat different value -- and in terms of as an income producing facility it has zero value, no value whatsoever. That is the appraised value of it. Nothing. Not a cent.

In terms of consideration of its value as real property, the land, the structures and everything else that is there, there is some considerable doubt. They have a wide range, possibly something between \$1.4 million and \$2.8 million. That is the variation. Now this former government entered into an agreement to build that for \$14.4 million, and that is its

value? Talk about waste, with no real prospect of doing anything, and that was known at the time. It was told to them by the government is civil service, who told them they were being taken on the thing because the normal cost of building that kind of a facility was about one-half or less what was being projected and what the government was planning to pay. They told government it was a mistake to do it, do not get involved, the government's own team of civil servants told them that. And yet they did go ahead. Mr. Traverse signed the report. I have seen it and he spelled out the projected cost of this facility compared to others, and made it quite clear that it ought to have been done. But the government persisted and they blew \$22.5 million of taxpayers' money.

Now, Mr. Chairman, when we took over responsibility for the government of this Province, we took a very close look at the state of the economy and the fact that we had an unemployment rate that for the last five years has been steadily more than twice the national average - a disgusting performance! We had to do something about it! - and a significant portion of that employment was make-work projects. So we had a serious problem that we had to address. We took a look at the detail of it, what caused it, and how we got to be that way, because we were not always that way.

The former Conservative administration of the 1970s did not put us in that position. To be fair to them, whatever their political colours, they carried on and produced the kind of growth, approximately the same, only marginally less of a growth rate

than in the first twenty-odd years of Confederation, handy about the same, and their performance was very good. But we changed our whole approach and destroyed the economy of this Province in the last ten years, so we had to do a detailed examination of what had been done and try and find a means of solving this problem.

We were impressed by the work that had been done by Dr. Doug House and the other members of the Royal Commission in doing the assessment and telling us what the true situation was, not just generally, but the specifics in every single part of the Province. I think they did a first-rate job. They not only told us what the real problems were, but they gave us a fair indication of what the right solutions would be and that we should try and implement those solutions. With one or two or three minor exceptions that report and its recommendation was put on the shelf, and virtually nothing, no follow-up was done with it.

MR. SIMMS:

Not true.

PREMIER WELLS:

That is essentially correct.

MR. SIMMS:

It is not essentially correct.

MR. WELLS:

There were a number of things implemented but that is all. The primary recommendation, the whole plan of it -

MR. SIMMS:

Why did you say nothing was done?

PREMIER WELLS:

I did not. I said with the exception of two or three things.

MR. SIMMS:

There were more than two or three things.

PREMIER WELLS:

Not very much more than two or three things.

A plan had been laid out and the government largely put the report on the shelf. And when we inherited responsibility to solve the problems and the difficulties that had been created by the former administration, we sought to find a means to do it. We did not want to pretend to the electorate of this Province or the members opposite that the Cabinet that you see sitting here now, or all of the other members on this side of the House, have all of the answers, knew exactly what to do.

We admit that we do not have those answers. We have some ideas, we have some thoughts, and we have the good sense to recognize that there are serious problems, and not to blind ourselves to it and pretend that everything is hunky-dory. Before you can really find solutions to the problems, the first thing you have to do is acknowledge that the problem exists and get the real dimension of it, and then you can find solutions and you have some hope of finding the right solutions and in the end correcting the basic problem.

Well, that is what we set about doing. We recognized that the individual who has the greatest ability to lead this effort is the man who identified the full measure of the problem and knows more about it than anybody else, Dr. Doug House. That is why we engaged his services in the way in which we did and got the other four people to work with him, all

of whom bring competence and ability to that group, and they have the means of doing it. It is not money that they need. They need money for the operation and staff, but the problem is not shortage of money to invest or help people invest and develop new businesses and enterprises. There are some 305 various agencies that provide financial and other aid to enterprises that want to undertake activities in this Province; between the federal and provincial government, some 305 altogether. So it is not a lack of funding and that kind of support, it is a lack of initiative and direction and action to get the thing organized and going. That is why we developed this Recovery Team.

Now I cannot guarantee the members of this House, Mr. Chairman, that that is going to be the perfect solution but, I have to frankly admit, I do not know of anything else to do with it. The former government failed miserably and things just got consistently worse. So they did not know what to do with it. I cannot stand here and say we know all the right answers where they failed. I do not pretend that we do, we do not. We have the good sense to recognize that and try to put in place a system that might find the answer.

That is the reason for the Economic Recovery Commission. That is why we are going in that direction. I cannot guarantee its success but I feel very confident that somewhere between five and ten years from now we will see great improvement in the economy of this Province. And, Mr. Chairman, let me tell you that the Economic Recovery Commission will not, in its whole life, I expect, spend as much money as was wasted

on Sprung, and they will create, or cause to be created, a great deal more in the way of long-term, steady employment than the 150 or 200 temporary and uncertain jobs that were created as a result of that horrendous waste of taxpayers dollars on Sprung. So when the hon. member stands up and predicts doom and gloom for the Recovery Team, I cannot say he is totally absolutely wrong and everything is going to be perfect and right. I cannot say that, I admit it frankly, but I have every confidence that that is our best chance of doing something, a far better chance than the silly activity of Sprung, a far better chance of doing something in all parts of the Province, in every corner of the Province, and not just out in Mount Pearl, as was done in the case of Sprung. That is why we are taking that direction. We are not going to put all our eggs in a Hibernia basket, in a Sprung basket, or in a Churchill Falls basket. We are talking about a mandate for the Economic Recovery Team to promote the development of small and medium size enterprises. A single person undertaking a new activity creates one good job. If he and a few others invest and create ten jobs, that is terrific. If it is fifteen jobs that is great. If somewhere else it is four jobs, that is great, too. They will all add up, we are confident in the end, to hundreds and hundreds, and maybe many thousands of jobs. That is the objective on a long-term, stable basis, not something temporary, like this private sector program, where people in the private sector take advantage of the opportunity to get a free ride for a few months. That is largely the result of the private sector employment program. This effort, Mr.

Chairman, is aimed at finding a longer-term solution for the betterment of all of the people in all sectors of the Province. But, I emphasize again, nobody can guarantee that it will work any more than the hon. member can say it is not going to work, it is going to be a complete failure, it is going to be an albatross hanging around the government's neck after spending all that money.

Thank you, Mr. Chairman.

SOME HON. MEMBERS:

Hear, hear!

MR. CHAIRMAN:

The hon. the member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Chairman.

I guess what the Premier said begs the question. If you believe so much in what Dr. House did before, and if you believe that there were only two or three recommendations implemented by the previous administration, why did you not utilize the Royal Commission Report on Employment and Unemployment without engaging Dr. House now at a cost of \$3.5 million a year? You have already said publicly that it is going to cost somewhere around \$30 million in the next five or six year. I believe, you are on record as saying that, and it may go higher than that, I think you indicated. I just hope the Economic Recovery Team works, that is my point. That is what I said, I hope it works, and I sincerely do. Because we are all here, as we said before, for the benefit of Newfoundlanders and Labradorians, and if we can create jobs we create jobs. I have to say to the Premier, and to the Minister of Finance, that we believed in

Hibernia, but it seems that you are believing more and more in it as well, and that you are attaching more importance and significance to it. As I said before we need a mix, we need that kind of project in this Province, and there have been administrations in the past that attached too much importance to the megaprojects and did not do anything of a smaller nature. Ye, we have seen in other provinces a greater emphasis on the private sector, creating your four, five or ten jobs, and that seems to be where the real successes come from, because they are longer term. I guess, as my colleague said, that is why it is so hard to understand when you sit on this side of the House, and particularly as a former minister responsible for the Employment Services Division, and see really what you have done with the Private Sector Employment Program. I believe that you believe strongly that it was a failure. I think someone has convinced you and the minister of that, but I think it is a mistake. It was not a failure, it was a big improvement over what this Province was used to, and we were moving in the right direction. If we were creating jobs for an average of twenty to twenty-five or twenty-six weeks, we were moving in the right direction. I am sure the Premier is aware right now that the private sector of this Province are not very happy with the decision by his government to cancel the Private Sector Employment Program. I am sure all members on both sides of the House know that because they have had calls and letters. What is even more amazing about it is that some members have even called the project officers asking when their

programs are going to be approved, even after it was announced that it was cancelled.

So it was a positive program for the private sector for the approximately 3,000 people who were employed for some period of time last year. The minimum was about sixteen weeks. The students were for less, for obvious reasons. They were not hired until they got out of post-secondary educational institutions and they had to go back to school in September. But, for the most part, I believe the minimum employment period was some sixteen weeks, and it was a good program and it was moving in the right direction. Some 3,000 Newfoundlanders last year were employed under that program.

The Minister of Finance said he has had a lot of suggestions as to what he should do with his \$5.3 million projected surplus. We have asked the Minister of Social Services why he did not try to get it for the social assistance recipients of the Province who are only getting a 4 per cent increase this year. We have asked the Minister of Employment and Labour Relations why she did not ask for the \$5 million to continue with the Private Sector Employment Program which would have created some 2500 jobs, cost-shared with the private sector, this year. Those were just suggestions as to how the \$5 million could have been used for the benefit of the people of Newfoundland and Labrador.

The minister sort of said he wanted to have a small cushion in case things did not go as well as they would like them to go in the Province. In all likelihood, with what we see is going to happen to the fishery and so on, and the

very necessary decisions that are going to have to be made, there is a fair chance that the economy will take a downturn. The fishery being the great employer that it is it, it is going to affect the earnings of those people and, consequently, the revenues of government. So these are all real factors.

I really wish, Mr. Premier, the Economic Recovery Team all the success in the world, because if it works then it will be a great tribute to you and to your government, but there have been so many things tried like that! A similar, comparable economic routine was tried, I think, in the 1960's that really did not work. As a matter of fact we had some information here, and the makeup, the composition, was almost the same.

MR. WARREN:

I have the names here.

MR. MATTHEWS:

So that did not work. It seems that we are not satisfied with what the Royal Commission has done, so we are trying an Economic Recovery Team. All I am saying is that I hope it works, but I am a little bit skeptical that it may not.

Now, I would like to say to the Minister of Finance, in getting back to this bill, that he is raising the personal income tax by 1 per cent now and another 1 per cent, I believe, in January of 1990. Is that correct? My understanding is this is the first increase since 1983. Is that a correct assumption? You are hoping to take in approximately an additional \$16 million this year - \$19 million I believe it is - additional money on personal

income tax. While it sounds like 1 per cent, of course you are hitting every employed Newfoundlander and Labradorian, and that is the route you chose to go. I guess that is the bone of contention that we have with your budget, is that you are picking up an additional \$95 million from the people of the Province, and by this 1 per cent increase now, going to another 1 per cent increase in January of 1990, you are going to pick up somewhere around \$20 million in revenue in that period of time. So we took exception to that from the start and we still take exception to it.

I just conclude my comments by saying that, that we feel if we were close to being the heaviest taxed people in Canada, then you certainly in this budget have seen that we have become the heaviest taxed people in Canada.

MR. CHAIRMAN:

The hon. the member for Green Bay.

MR. HEWLETT:

I guess earlier on we heard it all from the Minister of Finance, right from the horse's mouth, shall we say, or perhaps the other end.

This particular tax increase, Mr. Chairman, will help finance the Department of Health, but I am not sure I can support it for that, not particularly because of the department but because of the behavior of the current minister.

The hon. the Premier set some fairly high moral standards when he was Leader of the Opposition, especially with regard to conflict of interest. These days, Mr. Chairman, the Premier has set some fairly high legal standards with regard to conflict of interest.

The Minister of Health, Mr. Chairman, has the ability, through his ministry, to affect the well-being of a health care facility on which his company holds a mortgage. That may be legally okay, Mr. Chairman, but that is morally wrong. Conflict of interest involves morals first and foremost. Conflict law was developed to serve the underlying moral dimension. The police should only be involved and should only need to be called in as a last resort. The British parliamentary system has a remedy for this matter, 'Either the minister goes or his mortgage goes.' Conflict of interest is not just a matter of law, it is a matter of morals, and these days it is becoming a matter of moral outrage.

Mr. Chairman, the Minister of Finance also indicated, on this new income tax increase, that he had no alternative. Well, Mr. Chairman, my remarks are very brief but I will tell the minister there is an alternative.

Over there is a 47 per cent government and over here is the 48 per cent alternative.

I thank you.

SOME HON. MEMBERS:
Hear, hear!

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

MR. SIMMS:
Mr. Chairman, I hope that members opposite paid attention to those few brief remarks from the member for Green Bay. He said more in two minutes, I suppose, than the Premier did in his ten or fifteen minute dissertation.

SOME HON. MEMBERS:
Oh, oh!

MR. SIMMS:
Well, you have to speak it as you see it. You might not agree. I was listening. I listened intently to what the Premier said.

SOME HON. MEMBERS:
No, no.

MR. SIMMS:
Oh, yes, I did. In fact, I am going to comment on, some of it. I was distracted by the Bobsy Twins over there, the two academics from Memorial, there in the back row. I was watching the two of them have a little tête-à-tête - is it? - back and forth, whispering in each other's ear, and stuff like that. I imagine the Minister of Education was trying to instill some enthusiasm into the heart, mind, and soul of the Minister of Finance. Now that I have observed the situation, I believe it really is the Minister of Education who is priming the Minister of Finance. I believe he is the one. He is doing a reasonably good job, a reasonably good job, but I believe it is the Minister of Education.

What was that story somebody said, "When you refer to the budget you should refer to it as the Kirby and Herby Report." Yes, that is what it was. I was trying to remember that and other comments. When you are in Opposition, as members over there would know, probably, you get a lot of offers of suggestions from the public of what you can say in the House to this minister or that member or to that one.

We are too inexperienced at these things in Opposition. We do not

expect to be here long enough to learn, either. We are not that interested.

But there was another one they said about Kitchen. You remember the old saying, "If you cannot take the heat get out of the Kitchen"? Well, now they say, "You tell them that Newfoundlanders cannot stand the heat that he put on, and get rid of Kitchen." That was a good line too, but we never had a chance to use any of that stuff because we have been too serious in our remarks and in our comments.

MS DUFF:

We have lots of time.

MR. SIMMS:

Oh, we have lots of time. We can be here all night tonight, all night tomorrow night, all night Saturday, all night Sunday, we can be here until the middle of August, the middle of September, until we bring this government to its knees, so that the government has the courage and the intestinal fortitude to get up and honestly tell the people of Newfoundland and Labrador what they grab with this tax grab. The biggest tax grab in the history of the Province of Newfoundland and Labrador, by the way, the biggest tax grab in the history of this Province.

Incidentally, the Minister of Finance took great pride in trying to berate the former administration. He tried to paint this picture of the Newfoundland economy and how terrible it was until they came in with their capes and everything, ready to take on the world and correct all the errors of the past. He highlighted all the negative things about the former

administration. Yet in his own budget document, Estimates 1989, Exhibit 1, which talks about economic statistics in this Province, he did not mention any of those positive economic statistics included in his own document.

I refer the Premier to them, have a glance at them. Of course, I am sure the Premier will try to identify the one or two negatives that are there. Let us just run down through some of them, and then maybe the Minister of Finance will get up and say to this House and to the people of the Province that really what he has been saying, about the economy, and how terrible it has been performing and what a dastardly job we did when we were in the government, was just really only rhetoric. He might get up and admit and confess it is only rhetoric, 'We do not really mean that. The previous administration did a reasonably good job.' Maybe he might admit that. He might confess to it. He might not be too partisan, for once, in his comments. See if I cannot get him up on his feet again and highlight some of these economic statistics. For example, the Gross Domestic Product, in 1985, in billions of dollars, was \$5.5 billion. The Gross Domestic Product shot up in three years to \$6.8 billion. It shot up to \$6.8 billion, and that is a reasonable increase in the Gross Domestic Product. Total Personal Income of Newfoundlanders and Labradorians in 1985, in billions, \$6.1 billion. In 1988, three years, \$7.6 billion, an increase.

The Per Capita Personal Income, from \$10,600 up to \$13,300.

The Labour Force, well, we all know the labour force increased,

everybody knows that it went from 220,000 up to 231,000. Employment went up from 174,000 to 193,000, nearly 20,000 jobs, from 1985 to 1988, in the minister's own exhibit, the minister's own budget documents.

The Unemployment Rate from 20.8 per cent, which is terrible, in 1985 down to 16.4 per cent in 1988, a drop of 4 per cent in the Unemployment Rate.

It is a reasonable, positive thing, but members opposite, of course, totally ignore it.

Wages and Salaries went up considerably, \$3 billion up to \$3.7 billion.

The value of Fish Landings went up from \$167 million to \$276 million in three years, and the Minister of Fisheries would know that.

MR. DOYLE:

He is an honourable man.

MR. SIMMS:

He is an honourable man. He would not try to mislead the people and tell them that there has not been some good activity in the fishery. There has been. There have been lots of problems, and always will be, I suspect.

Retail Trade, in millions of dollars, \$2.2 billion, I guess that is, to \$3 billion, from 1985 to 1988.

Motor Vehicle Sales. The Minister of Works, Services and Transportation can acknowledge the fact that in 1985 new motor vehicle sales was \$280 million and in 1988 it was \$427 million. A big ticket item. Where is the lull in the economy when these big ticket items are shooting up like

that, \$280 million up to \$427 million? Just about every economic statistics in this document, just about every one shows an increase, a reasonable increase, and in some cases a big increase.

In the case of the Unemployment rate, it went down. Nobody mentions that on the government side. I cannot say that I blame him, I suppose, it is too positive, and it would not fit in with the rhetoric that the Minister of Finance threw across the House a few minutes ago, about how terrible everything was, and what a dastardly job we have done as a government.

So I mean, Mr. Chairman, his own Budget document, Exhibit, in the Estimates document, tells a reasonably good story, a reasonably positive story. And I ask members opposite, and ministers in particular, and the Premier from time to time to allude to some of those positive things. Do not be painting a picture of doom and gloom, as he accuses us of doing. We are not doing that. We have never been able to do it. We have always been positive and optimistic people. A lot like the people in the Province, who are positive and optimistic, I think so, at least.

If the Minister of Finance cannot answer the question - I doubt very much if he can - but perhaps the Premier can answer for us: Could he tell us what the salaries are for the members of this Economy Recovery Team? I saw some reference to it somewhere in a newspaper, \$75,000 about, or whatever. But I understand now these people have been hired and are in place, and setting up office and so on. I would like to

know what the salaries, the actual salaries of the members of the Economy Recovery Team. Particularly, I would like to know what the Chairperson salary is, Mr. House. At what rate of pay is he being paid? A deputy minister's rate?

What is the salary of the chairperson of the Economic Recovery Team and the other members of the commission? Some of my colleagues would like to know, if he can find out the information for us, how many administrative people are in place now, how many are proposed to be in place, or do you know that yet, or is that all still being worked on? There must be some staff, secretarial help and so on.

I am not quite certain - the Premier can correct me if I have misunderstood this - but I understood there were going to be some offices opened around the Province to work with the Economic Recovery Team. So there will be offices and staff required there and presumably some sort of a regional director or something. I do not know exactly what they are going to call him. We would like to have a bit more information on what is being proposed. Certainly he can tell us what the salaries of the members of the commission are. That would be a nice thing for him to mention to us.

The other thing I just want to mention in passing, which my colleague, the member for Grand Bank, I think, forgot to mention, and I am sure he wanted to, is in reference to the Minister of Finance's shot across about the unfunded pension liability. Of course, the Minister of Finance forgot to mention that it was the previous administration that first

began funding the unfunded pension liability, putting the funds into it where they belong. Had it occurred years before, obviously we would not be facing as large a problem as we presently now face. He should have mentioned that just in passing. Since he was going to make reference to it, he should have mentioned it. We all know the situation with respect to the pension liability, but I did want to make that particular point.

So maybe with those few comments, the Premier or the Minister of Finance or somebody might just address the couple of points that I made. I would appreciate it.

MR. CHAIRMAN:

The hon. the Premier.

PREMIER WELLS:

I expect fairly shortly, within a few weeks, to have a pretty detailed assessment of our real employment picture and what has been happening. It is being done and I hope to be in a position to make it public. A fair amount of preliminary work is complete now, and it just so happened I was looking over some preliminary drafts of it and I can tell the hon. member that the picture he paints is not an accurate one of what has been happening.

You see, if you just take a couple of selective statistics you do not get the full story. You look at the full year employment, that is what we have to look at. That is the only thing that will give us a stable economy.

MR. WARREN:

The fishery.

PREMIER WELLS:

We have always had fishery problems for 400 years in this

Province. But we had a better full-year employment record in the 1970s and in the 1960s than we had in the 1980s. It deteriorated seriously in the 1980s to the point -

MR. SIMMS:

There was a recession.

PREMIER WELLS:

Yes. But there was a recession in all the other provinces, too. That is right. They all had recessions, too. Nova Scotia had a recession, as well as we did. They had an increase of 4.4 percentage points in the number of unemployment insurance claims allowed as a percentage of the annual employment.

MR. SIMMS:

When?

PREMIER WELLS:

Between 1980 and 1987. Those are the years we are talking about. In Newfoundland it was 19.2 percentage points increase. That is what we are doing. That is exactly what we are doing.

MR. SIMMS:

What about before that?

PREMIER WELLS:

Each has a decrease. From 1975 to 1980, Nova Scotia decreased by about 5 percentage points. Newfoundland decreased about 7 percentage points. We are now gone from being twice the national rate to nearly three times the national rate. The national rate is 25 percentage points. We are 71.6 percentage points. We have got a serious situation. And using just a few selective statistics about the increase in retail sales tax that is paid as a result of unemployment insurance and welfare payments and all the

others as well as everything else, using a few selective statistics does not tell the true story. We have got to acknowledge and tell the true story.

Now, Mr. Speaker, there were some specific questions about the Economic Recovery Team and the cost. I have to tell the House that the details of salaries and that are being worked out right now, are not all finalized. It will be something between \$75,000 and \$80,000 per year for each of the four commissioners. The Chairman has been seconded from Memorial University, so Memorial will continue to pay him the same pay and allowances and pension benefits, because he ultimately wants to go back to the University, as he was paid before, and the government will simply reimburse Memorial for the amount that it pays Dr. House. But to persuade him to leave the relative comfort and somewhat easier life of being a University Professor, we have to pay him a bonus that will be something in the neighbourhood of \$20,000 to \$25,000 a year, but that also is being worked out.

In terms of the staff, no new staff has as yet been hired. We did something that I think was really rather clever and solved two problems with the one decision in this respect. There was a danger, with the Economic Recovery Commission carrying on its mandate, it could be competing with NLDC, which has a mandate in a similar area, somewhat different but in the same field of endeavor. So we did not want to create a situation where the two government agencies would be competing, so the logical and sensible thing to do was to make NLDC answerable to the Economic

Recovery Commission. All of the resources, all of the staff, all of the capability, all of the knowledge, all of the computer organization, and all of the fact gathering abilities and general offices around the Province of NLDC becomes immediately available to the Economic Recovery Team. For that reason, it will be some time before there will be any significant additional staff. I have no doubt that in time there will be additional staff. I do not think it will be significant in number. We are not running into major problems in terms of office space. At the moment, I have provided an office for Dr. House on the 8th Floor. He has an office here, that saves the expense of renting one downtown. Now, ultimately some provision is going to have to be made for the whole Commission, and I do not know quite how we are going to do it. Frankly, I would prefer to see them out of Confederation Building and operating as a separate Commission, that is the preferred position, those decisions have to be made by the Commission itself.

In Corner Brook, the Economic Recovery Advisory Board, there are a couple of offices on the 10th Floor of the Sir Richard Squires Building, that have been used by Premiers for the last twenty years, that have been made available, and the Cabinet space is available so that they will be able to work. Nobody has been hired there. What we are looking for is reassignment of somebody already in government services surplus to government's real needs, that government can function without, and we will assign that person, if that is possible. We may have to go outside, I do not know. The Board

will have to make that decision itself, but we have asked them to try and identify somebody within the public service and we would do our best to make that person available to them direct, like an administrative officer. Because you cannot place the burden on a Chairman and volunteer members, all volunteering their services, to make sure that the meetings are organized, all of the information has gotten out and the correspondence is in and handled, you have to have somebody to discharge these responsibilities.

MR. SIMMS:

Before you conclude on this item, this issue, could the Premier tell us how this new setup of the Economic Recovery Commission and the Advisory Council, and all that, what kind of an effect is that going to have on the Economic Council of Newfoundland and Labrador?

PREMIER WELLS:

None. One of the first things that I did before we announced the appointment was to meet with the Chairman of the Economic Council and discussed it with him in detail. I discussed it, of course, to great extent with the former Chairman, the founding Chairman, Mr. Lundrigan, who is the Chairman of the Economic Recovery Advisory Board. We looked at the possibility of using the Economic Council as the Advisory Board for this purpose, but, as the hon. members knows, the Economic Council has a broader mandate, to advise the government on all matters where there is an economic impact; on social matters, on educational matters, on the economy in general, and a variety of other aspects of life in the Province as it is affected by the economy and economic

performance. So we were concerned that if we asked that Council to discharge this responsibility they would focus on that and abandon all of the others so we decided to go this particular route. It will have no direct effect on the Economic Council. I discussed it with the Chairman before the appointments were made, and before the announcements were made, and I subsequently met with the entire Council and discussed the whole thing with them as well. We are satisfied, Mr. Chairman, that it is the best course that we can design at the moment, but I cannot guarantee that it will be successful. It is the only thing that I know or have heard of, in the last fifteen years at least, that has a remote possibility of being successful and I am hopeful that they will be.

SOME HON. MEMBERS:

Hear, hear!

MR. CHAIRMAN:

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

MR. HEARN:

Mr. Chairman, I would also like to mention a couple of the statements from the Minister of Finance's Budget Speech when he talked about: "In 1988 the gross domestic product in Newfoundland grew by 3.8 per cent...This represented our sixth consecutive year of economic growth." Personal incomes grew greatly and growth in various sectors so it certainly was not all doom and gloom during the 80s. I would like to come back to a couple of the remarks he made when he talked about the deficit when the Liberals left power back in the early '70s. It might be interesting if he did a breakdown and compared it to today's dollars, and also if he

did a complete survey of services provided in the Province in comparison to the updated services provided today. I think you will see an equalization factor come in there pretty quickly. There is one other thing that members are losing track of, and the Premier lost complete track of it when he was speaking that time, when he talks about the better, full-year employment record, full-year employment, talking about, undoubtedly, a full year's work. There are two things he has to remember. Number one, the economy of Newfoundland and how it is based, and more importantly the geography of Newfoundland, which nobody knows any better than the Minister of Finance. Because if there is anybody who has emphasized the geography of Newfoundland and how we should react to people living in rural Newfoundland, and how we should set up our school system to cater to people in Newfoundland, it would not be the Minister of Education, but the Minister of Finance. Knowing the geography, nothing else but just the geography of this Province, if you compare it to any other province of Canada, to compare our unemployment rate, to compare our economies, we are not comparing apples and apples at all. You look at the manufacturing centres in Central Canada, you look at the oil centres in the West, the major wheat farms and so on, the economy of British Columbia, boosted by the Pacific rim countries, and we can go on, even the Maritime Provinces, where you have a lot more manufacturing, generally, and easily access for your excess tourism business than the Province of Newfoundland, and nowhere do we have the number of communities spread over such a large area as we do in this Province. Number

one, it is extremely expensive for any government, regardless of whether it is Liberal or Tory, to maintain services to such areas; and, secondly, the level of income will always be lower to a degree than it would be if you are living in areas where you have access to full-time employment which we do not have.

There is one other factor, when we talk about the high unemployment rate and we compare it to years ago, and that is the number of people in the work force. Members do not have to go back too far to realize that certainly outside the major urban areas in the Province very few people in a family worked, outside of the head of the household, but now practically everyone who is old enough to work is working parttime, long enough, perhaps, to get ten stamps and quite often they have to do that in order to survive, live, and carry on living there. The alternative is to do what the Premier has on a number of occasions indicated and that is to burn your boats and move to larger areas of the Province. But there are many people in this Province who would be quite satisfied, who are quite satisfied, to live on a part-time income because it is the only one available, because the lack of revenue, the lack of dollars in their pocket is offset by the standard of living they have in rural communities, something money cannot buy, and that is something that is extremely overlooked. If we can ever get anybody to do a thorough analysis of unemployment statistics based upon geography and general economy and possibilities, then I think you will find that when we compare Newfoundland to central Ontario or any other part of Canada and we

look at three times the unemployment rate, we are really not comparing apples and apples.

One other thing I would like to raise with the Minister of Finance in direct relation to the bill itself is the 1 per cent increase this year and the 2 per cent increase next year in personal income tax. During the last couple of years, members of the government who were then members of the Opposition, constantly berated us on the other side for allowing School Tax Authorities to exist. Many members stood and said the first thing they would do would be abolish School Tax Authorities. In their election campaign, in paid commercials on radio and television, members promised faithfully to abolish School Tax Authorities. I have not heard too much about it.

But to carry it a little further, what they said because they were always asked - I notice the Minister of Education over there asking, 'Did you really say that?' Because he has constantly, in documentation and in reports, basically defended the School Tax Authorities, saying, maybe as we did ourselves, it might not be the best way we can bring in dollars, but, until you show us a better way, it is efficient, it does bring in \$30 million or \$40 million a year.

When asked, and members were asked, it is on the public record, How would you replace the \$30-odd million that School Tax Authorities bring in? - the one unanimous answer was, 'We would raise the personal income tax. Jack it up a few points, whatever it would take to bring in the \$40 million. The Premier shakes his head. Maybe he did not, but a

number of his members did, constantly. The one sole answer to solving the educational funding needs was, jack up the personal income tax. Now my question to the minister is if he needs to raise another \$40 million in order to comply with the wishes and demands of all his colleagues in Cabinet to abandon these School Tax Authorities, does that mean that next year and in the ensuing years personal income tax will have to be raised another 3 per cent or 4 per cent or 5 per cent or 6 per cent in order to bring in that kind of money? Because there is an inconsistency here. You cannot add 2 per cent now to cover the extra programs you brought in. If you are going to do what everybody said - I mean, the Minister of Health is one of those who vociferously stood over here and said, 'We will abolish School Tax Authorities.' The member for Burgeo - Bay d'Espoir was saying on radio daily 'We will abolish the School Tax Authorities,' because he represented an area that got an unfair deal from School Tax Authorities; it is a poor economic area and the equalization grant that we started, and the Minister of Education now has continued to fund, is helping those areas.

MR. DOYLE:

And the Minister of Forestry and Agriculture said it.

MR. HEARN:

Well, most of them said it.

So if they are going to do what they promised, and the Premier said, 'Certainly all our promises we will fulfil', the only way to find the funding, according to all the people who are now in Cabinet, is to raise personal income tax. So I would certainly like the

minister's observations on that.

MR. WARREN:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the member for Torngat Mountains.

MR. WARREN:

Mr. Chairman, after the House closed at 5:00 p.m. this evening I went home and I found the real tag which says, 'Garfield Warren, Newfoundland.' I do have the real tag, and I am Garfield Warren from Newfoundland.

Mr. Chairman, I have a question for the Premier, since we are discussing this bill. The Premier spoke about the Premier's Office in Corner Brook. A few years ago, the former, former Premier of the Province had an Office in Labrador. I think it is fair to say, and I think my colleague from Eagle River, and particularly my colleague for Naskaupi, will agree that the Premier's Office in Happy Valley - Goose Bay did not work as well as it should have worked. I am just wondering if the Premier is considering where the Province of Newfoundland and Labrador needs attention? The Premier is seriously looking at having an office in Corner Brook with Mr. Joyce, and so on, to look after the affairs of the West Coast of the Province.

Is the Premier considering setting up an office in the center of Labrador, in Happy Valley - Goose Bay, for example, similar to what the former, former Premier had, that hopefully will work much more efficiently and much better than that office worked at that time?

Mr. Premier, I would like to say, tying in with this, that I

understand the ADM with Northern Development, Mr. McGrath, will be leaving within the next few days for training at a military school in Ontario for the next two years on a government pass, as we call it. Just in case the Premier does not know, this has already been acted upon and Mr. McGrath will be gone for the next two years or the next eighteen months, and there will not be a senior official in Labrador as such.

I think for the last ten years, where this person was ADM of one particular department, the other departments were not necessarily following the role call as was called by this particular individual. I do not know what title the Premier will give the individual, but is the Premier considering appointing a sort of co-ordinator or commissioner? If we want to go back to the 'Joey days', as we call them, or the last Liberal days, when the Premier was part of that government, they had a Commissioner for Labrador? At that time, some people did not think it was beneficial, but I, personally, thought it was a good idea. In fact, I think it would be a good idea, if it worked properly.

With the Premier's new mandate, with the Premier's new ideas of making sure that people all over the Province are getting the best value from government, would the Premier be considering a setup such as a commissioner for Labrador or a government director of Labrador to co-ordinate all departments? I think it is long overdue, and I say in all honesty to the Premier that if the Premier wants to do one solid, concrete thing for the people of Labrador, he would put a senior official

from government there to look after all departments in Labrador. I think it would be a welcomed by the people of Labrador; it would help this government and it would help the people of Labrador. It would be a good co-ordination effort. I just want to ask the Premier if he would seriously look at that kind of suggestion. I am saying it, but I am saying it on behalf of all the people in all four districts.

At the same time, I understand the Premier met with three representatives of the LIA in the last few days who brought to the Premier some major concerns. They also asked if the Premier would consider having someone from that organization on the advisory section of his Economic Recovery Team?

Now, I understand the Premier has some difficulty because there are so many other groups throughout the Province who want to be on that advisory team, but I think the Premier should seriously look at the North and look at the concerns of the North. In all due respect to Mr. Stanley Pike, who is a real good guy, by the way, I must admit, I know the gentleman, but knowing Labrador, which geographically is three or four times larger than the Island, it is very unfair to have only one person from Labrador on your advisory team. So I ask the Premier if he would seriously consider having a person representing the Native people of Labrador on his advisory team.

These are my questions to the Premier. I would hope the Premier will answer those questions, because I think it is very, very important that we get some answers.

MR. CHAIRMAN:
The hon. the Premier.

MR. BAKER:
You are going to answer those questions, are you?

PREMIER WELLS:
I am just going to answer a couple of questions the member raised.

MR. SIMMS:
You are actually allowed?

PREMIER WELLS:
That is right. I have to get permission to speak. Contrary to what hon. members have been trying to make the Province believe, I had trouble getting off that seat. I was not sure he was going to permit me to do it.

I just want to answer a couple of the questions raised by the hon. the member for Torngat Mountains. Before I do, I want to emphasize for him that this government is taking the position that it is time the government of this Province recognized the full potential, the full contribution and the full responsibility of the people who are living in Labrador, and the contribution they are making to this Province and the attention they deserve. They have missed it in the past. Governments of the past have not given them the attention they deserve.

MR. WARREN:
Not one (inaudible).

PREMIER WELLS:
Oh, yes, for quite a number of years. I do not disagree that it goes back a long way. I do not attribute it only to the former government, the government before that, I do not think, gave it the proper attention either. It is

time and this government will respond to and acknowledge the contribution that is being made by the people who live in Labrador, and acknowledge that they need extra help and extra attention so that they can have a reasonable level of normal public services.

There is never going to be in the present economic circumstances the kind of general public services available in Mary's Harbour that there is in the City of St. John's. That is not rational to expect, for obvious reasons, but that does not mean that we have to leave the people of Norman Bay and Pinsent Arm, in the District of Eagle River, without attention and without the ability to have fresh water without getting in a boat and rowing three miles to get it. That is wrong. Davis Inlet needs the same kind of attention, and other coastal communities in Labrador, so that the government does intend, Mr. Chairman, to develop a methodical approach to meeting the needs of Labrador, and we intend to do that in the not too distant future.

In terms of government senior administration, that is all under examination at the moment. We are not prepared to make a final decision right at this time, but we hope to be able to in the next few months.

Resolution

That it is expedient to bring in a measure to amend The Income Tax Act.

On motion, resolution carried.

Motion, that the Committee report having passed the resolution and a

bill consequent thereto, carried.

Resolution

That it is expedient to bring in a measure relating to a Tax on the users of Tobacco.

MR. CHAIRMAN:

Shall the resolution carry?

MR. SIMMS:

Is the minister going to get up and say something about it?

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. KITCHEN:

Mr. Chairman, I would like to introduce this Bill, Bill 4, "An Act To Amend The Tobacco Tax Act, 1986". What the Bill attempts to do is change the words "four point seventy-eight" to "five point twenty-eight", in effect increasing the tax on cigarettes by half a cent, and paragraph (2), which has the effect of making the tax on fine cut tobacco two-thirds of that on cigarettes.

MR. CHAIRMAN:

Shall the resolution carry?

MR. SIMMS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the Opposition House Leader.

MR. SIMMS:

You cannot just let it carry, Mr. Chairman, we do have to have a comment or so. My colleague, the next Minister of Finance, was busily preparing some notes for the next bill, Bill No. 5, the gasoline tax purge the government is implementing, but, in the

meantime, we do want to make a comment on this. Obviously, increasing the tobacco tax is a difficult one to argue against, although on principle, as the Opposition, of course, we are opposed to all your tax increases and we will be voting accordingly.

However, it should not be passed through the Legislature without a particular point being made. We all recognize this as a sin tax, and if governments are going to tax something, it is always booze and tobacco. And that is really not that hard to take. It is good for your health, if you give up. If you can encourage people to give up smoking cigarettes or pipes or cigars, then, obviously, that is good for their health. However, I would suspect that the government over there did not impose this tax with the hope that people would give up smoking.

AN HON. MEMBER:

(Inaudible) smoke more.

MR. RIDEOUT:

If you did, you would not have done it the way you did it.

MR. SIMMS:

What has happened here, and the thing that should be pointed out, of course, is that this nasty tax has been implemented on the poorer people, those who have been rolling cigarettes on their own.

MR. DOYLE:

Papers and baccy.

MR. SIMMS:

Poor fellow got the papers and the baccy, and he has to roll his own. Now, I believe, from what we hear anyway, and we are not experts on these kinds of matters, as members opposite are not either, but I understand it is now

just as cheap or cheaper for those people to buy tailor-made cigarettes. I do not know if that is accurate.

PREMIER WELLS:
(Inaudible).

MR. SIMMS:
The Premier has absolutely checked this out?

PREMIER WELLS:
Yes.

MR. SIMMS:
And he can say without equivocation -

MR. R. AYLWARD:
What is the difference?

MR. SIMMS:
Well, since the Premier has done such a thorough investigation of it, perhaps he could tell us what the difference is and how much a pack of tailor-mades costs versus a pack of rolled cigarettes? But my suspicion is that by implementing this on the poorer people of the Province, those who roll their own, he is now forcing them to go back to smoking spruce rind and tea leaves. That is what is happening. The shavings from pencils in the pencil sharpener, that is what they will be smoking. He is creating more jobs in Ontario, of course, because they are buying store-bought cigarettes.

In any event, Mr. Chairman, because of the principle that we have with respect to not being in favour of tax increases that this government has implemented, we shall not be supporting this tax increase, obviously. But it should not, as I said, go without saying that the Minister of Finance has again struck and hit

the poorer people of the Province with this particular tax. That is the point and that is the only point we want to make in this particular issue. Now maybe the Premier can quickly tell us, so his House Leader can get on with business.

MR. CHAIRMAN:
Shall the resolution carry?

PREMIER WELLS:
Mr. Chairman.

MR. CHAIRMAN:
The hon. the Premier.

PREMIER WELLS:
Just to provide the information. It is obvious that the hon. member did not read the bill. The bill itself, in Clause 2 (b) says 'In the case of tobacco, other than cigarettes and cigars, the tax shall be two-thirds of the tax imposed upon cigarettes.' So it is only two-thirds of it. It is not greater than, as the hon. member would lead people to believe, it is two-thirds of the tax on the cigarettes, on a per gram basis. So it is still cheaper to roll your own. It is two-thirds on it.

MR. RIDEOUT:
Mr. Chairman.

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

MR. RIDEOUT:
Mr. Chairman, I want to say to the Premier when you include the papers with the 'baccy, and when you include the tax on the roller, it is more expensive than it is the other way.

MR. SIMMS:
Right on. Exactly.

Once again the Premier is wrong.

MR. RIDEOUT:
Right.

MR. CHAIRMAN:
Shall the resolution carry?

MR. BAKER:
Mr. Chairman.

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

MR. BAKER:
Thank you, Mr. Chairman.

Just very briefly, for the sake of the member for Grand Bank, I asked that very question in the process, and the question included the papers, and so on, and I was assured by the financial people that it would still be cheaper to roll your own. Now the Leader of the Opposition has brought up another point about buying the roller and paying the tax on the roller. Now if you were to assume that the roller would be bought and only used for a month or so, then the Leader of the Opposition may be, in fact, correct. However, if you assume that the roller has an amortized life of four or five years, then I assure the Leader of the Opposition that it is still cheaper to roll your own.

MR. CHAIRMAN:
Shall the resolution carry?

MR. MATTHEWS:
Mr. Chairman.

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

AN HON. MEMBER:
Tell us about (inaudible).

MR. MATTHEWS:
That is part of the reason I wanted to speak, Mr. Chairman. I was just going to say to the President of Treasury Board that the roller will last much longer now, because they will not be able to afford to roll that many cigarettes anymore.

Maybe the government could consider a tax on the warranty on the roller, because I say that is one of the few things they have not taxed.

I am not speaking in support of it. I never smoked in my life. Thank God for that.

MR. SIMMS:
You had better talk to the member for Carbonear.

MR. R. AYLWARD:
Some people choose not to smoke, and other people choose to.

MR. MATTHEWS:
I was wondering all this session why there were so many members in their seats. I now know that since June 7 they cannot afford to go out and light up. I guess indirectly I am making a plea to the commission.

MR. SIMMS:
The Economic Recovery Commission?

MR. MATTHEWS:
No, the Benefit's Commission. For those of us who really like to go out and have a smoke, they might consider increasing the benefits to members so that they can enjoy a scattered puff or so.

I just want to say to the minister on a more serious note that again we have discovered another \$10 million of the additional \$95 million revenues, it is the

tobacco tax. In last year's budget I believe the information shows that the government realized some \$40 million. This year, he is projecting, or he will realize, \$50 million, so we have discovered where he is getting another \$10 million of the \$95 million additional dollars in taxes that he rammed on Newfoundlanders and Labradorians. As the hon. member for Grand Falls said, he really stuck it to all facets of society, I guess, including the poor.

Before I sit down, I would just like to say something on a very serious note to the Minister of Finance, and I guess moreso to the Minister of Health, so I would like him to listen to this. It is a point I made a couple of weeks ago, and it is one I believed in very strongly when I was a minister of government, and one I believe in just as strongly as a member of the Opposition. Even though we do not encourage people to smoke and, as a matter of fact, we would prefer that there were less smokers and smokers smoked less, it would be a very wise investment for government if they put more money into preventive measures. If the Minister of Health could talk to the Premier and the Minister of Finance and put more money into, particularly fitness programs for the people of the Province, starting with the very young in the schools of the Province so that they develop proper attitudes and proper diets, and so on, then the Minister of Health, and upcoming Ministers of Health, would have less problem with the demands on the health dollars of the Province. Because by developing a proper attitude and becoming fitter at a younger age, that would stay for the remainder of life, particularly with Newfoundlanders and

Labradorians who, and we may as well accept it, have a big problem with their diets. I would just like to say to the Minister of Health, the President of Treasury Board, the Premier and the Minister of Finance, particularly, that it is a consideration I think you should seriously consider for the next budget.

AN HON. MEMBER:
Raise taxes?

MR. MATTHEWS:
I did not say raise taxes. The point is you are picking up an additional \$10 million this year from smokers in the Province, something which is going to take away from their health.

AN HON. MEMBER:
If they do not quit.

MR. MATTHEWS:
If they do not quit. But that is not going to happen, and we know that. The minister knows quite well that by projecting an additional \$10 million revenue because he is increasing the tobacco tax, for the most part he will realize it. My suggestion is, simply, to seriously consider putting more money into fitness, sport and recreation, particularly for young students. The real place to get at them is in the schools. There have been some programs developed over the last two or three years, like Fit Week and other things, which are meeting with reasonable success, and I think it would be a very wise expenditure on behalf of government.

In the future, if there is one way we are going to reduce the health care budget and reduce the pressure on the health care system of this Province, it will be by

changing the attitude of young Newfoundlanders and Labradorians towards fitness, better diets and better health.

SOME HON. MEMBERS:
Hear, hear!

On motion, resolution carried.

Motion, that the Committee report having passed a resolution and a bill consequent thereto, carried.

Resolution

That it is expedient to bring in a measure respecting The Gasoline Tax Act, 1978.

MR. CHAIRMAN:
Shall the Resolution carry?

MR. SIMMS:
No, Mr. Chairman. Mr. Chairman, the Minister of Finance has been giving us explanations of these taxes increases, so I presume he is going to do the same.

SOME HON. MEMBERS:
That is normal.

MR. SIMMS:
Sure! So he should get up.

MR. CHAIRMAN:
Shall the resolution carry?

MR. SIMMS:
No, Mr. Chairman.

DR. KITCHEN:
I was not sure if we were on four or five, but we are on five. What we are proposing to introduce now is a bill to increase the gasoline tax in some cases and to reduce it in others.

MR. MATTHEWS:

Mr. Chairman.

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

MR. MATTHEWS:
Thank you, Mr. Chairman.

Maybe it is a confession by the Minister of Finance that he smokes so much his stamina is reduced. I am sure that is not the reason at all, he is just in a rush to get the business of the House concluded so that we can get out of the House tonight and relieve those poor souls who are sitting in the gallery. I am sure it must be even warmer up there than it is down here for more reasons than one, because I do realize that hot air rises.

AN HON. MEMBER:
You should know.

MR. MATTHEWS:
Yes, I should know. Who said that? Well, now, there is a target for tomorrow.

MR. RIDEOUT:
That is something we cannot say about the Minister of Finance.

MR. MATTHEWS:
No. We were wondering what we were going to do tomorrow morning, but we found our target.

Mr. Chairman, I would just like to say that maybe the Minister of Finance's short comment on this particular act, The Gasoline Tax Act, is in direct relation to the amount of revenue he is getting from the increase. He was a little longer on the tobacco tax, where he is picking up \$10 million from Newfoundlanders and Labradorians, \$10 million of the additional \$95 million that he slapped on us this year.

SOME HON. MEMBERS:

Oh, oh!

MR. MATTHEWS:

There are a lot of disruptions here. Shocking! I cannot understand anyone being like that in this House. They are talking back and forth and disrupting. We should always be on our best parliamentary behavior.

From the gasoline tax, \$72,800,000, I guess, was the amount taken in by the Province last year, and this year the minister is projecting just about \$80 million. So he is picking up another \$7 million on additional gasoline taxes. I would just like to say to the hon. the Minister of Finance that again he is hitting almost every Newfoundlander and Labradorian. And as I have said a number of times, the additional taxes that have been imposed this year amount to about \$300 for every man, woman and child in this Province, which is quite substantial. Of course, for those Newfoundlanders and Labradorians who are fortunate enough to have motor vehicles, and so on, they will consequently pay at the pumps.

In reference to what happened with the 10 per cent hike in tuition fees for post-secondary education students, and the 200 per cent increase they will have to pay on their I.D. cards, the parking lots around the residences of the university will not be as full this coming Fall, because the students will not be able to pay, consequently, for gasoline for their cars, if they are fortunate enough to be able to get a car.

Again, Mr. Chairman, we can see where the minister is picking up another \$7 million to \$8 million of the \$95 million. That

concludes my remarks on it.

MR. CHAIRMAN:

Shall the resolution carry?

MR. R. AYLWARD:

No, Mr. Chairman.

MR. CHAIRMAN:

The hon. the member for Torngat Mountains.

MR. WARREN:

Mr. Chairman, I just want to make a couple of comments. I say to the Minister of Finance, this bill is supposed to come into effect tomorrow, July 1. I just throw this open to the Minister of Finance, that up on the Coast of Labrador, in particular, North of Cartwright, there have not been any fuel supply vessels delivering fuel to this part of the Province. Since it may be another fifteen or twenty days before the fuel boat gets there, I would like the minister to make sure that he advises the suppliers up there that the fuel they are presently selling has been in stock since last year, and would he give some consideration to the people up there by seeing that they will not have to pay the extra taxes until there is new fuel provided to those communities?

Mr. Chairman, this is really a serious concern. This tax will come into effect tomorrow and the fuel ship has not arrived up there yet; it will mean suppliers will be charging the extra taxes on fuel which has been in stock since last year, and the people will have to pay those extra monies. So I would like the minister to make sure the suppliers do not charge the extra tax until the new fuel arrives.

Mr. Chairman, I just want to say

one other thing while talking about gasoline, and I hope the Minister of Health is listening. I was standing in the same position in 1982 and, Mr. Chairman, I must say to the hon. the Minister of Works, Services and Transportation that I put the same request to the Minister of Finance at that time - that was seven years ago - and the Minister of Finance did not act upon my it. Nor has any Minister of Finance since then acted upon my request of that time.

Since we now have a new administration and we have a new Minister of Finance, I would like to say to the Minister of Finance, since there is presently a label on cigarette and tobacco packages which says 'Smoking may be dangerous to your health', would the minister consider putting a similar label on alcoholic beverages sold in the Province, saying, 'Drinking may be dangerous to your health?'

MR. CHAIRMAN:
Shall the resolution carry?

SOME HON. MEMBERS:
Carried! Carried!

Motion, that the Committee report having passed the resolution and a bill consequent thereto, carried.

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

DR. KITCHEN:
Mr. Chairman, I would like to introduce this bill, "An Act To Amend The Local Authority Guarantee Act, 1957", which refers to the various community councils and town councils and the amount of money that has been borrowed.

Resolution

That it is expedient to bring in a measure further to amend The Loan and Guarantee Act, 1957, the Act No. 70 of 1957, to provide for the advance of loans to and the guarantee of the repayment of bonds or debentures issued by or loans advanced to certain corporations.

MR. CHAIRMAN:
Shall the resolution carry?

MR. SIMMS:
Mr. Chairman.

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

MR. SIMMS:
I do not know how much work would be involved in this, but would it be possible to have the Minister of Finance obtain for us, somehow or another, the debt load of all these municipalities. I mean, this is really a routine bill we do every year; it covers the loan guarantees and the funds approved for municipalities to do their service work, whatever it is.

I do not know how much work would be involved, but it might be a worthwhile exercise to perhaps show a true picture of the accumulated debt of each municipality. Now it might be a massive amount of work, but it does not have to be done today or tomorrow. Perhaps we could have it by the Fall, or something like that. I think it would be worthwhile for all of us to see.

MR. BAKER:
It is not a difficult job. It was done a year ago, I believe, and it took a few days. It is easily

done. I think it was done before.

MR. SIMMS:

Maybe we could ask the Minister of Finance to take it upon himself to do that sometime, make it public or wait until the Fall and give it to us, or whatever. But we would like to see it.

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. KITCHEN:

"An Act To Amend The Loan And Guarantee Act, 1957" basically lists the loan guarantees that have been made since this Act was last amended in this House. Listed here are all the amounts and all the companies to which loan guarantees have been extended.

MR. CHAIRMAN:

Shall the resolution carry?

MR. MATTHEWS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Chairman.

Just a couple of quick comments. What is particularly striking about this particular Loan And Guarantee Act is it outlines the loan guarantees entered into, the first one going back to 1987, I guess. What is striking is the number of loan guarantees to fish companies in the Province. While there was quite a variety of business interests and industries supported under the Loan Guarantee Program, what was really striking to me was that approximately half the loan guarantees that have been entered into went to the fishing industry, which, I think, just highlights once again the

importance of the fishing industry in Newfoundland and Labrador and, as well, the amount of support that is required and requested from government to the fishing industry by way of loan guarantees. Of course, a lot of times this is for cash flow purposes, and so on, where, at the beginning of seasons, companies do not have enough sales to keep the business operating.

So I just wanted to highlight that, that of all the loan guarantees that are here, by far the largest portion is for the fishing industry in Newfoundland and Labrador.

MR. CHAIRMAN:

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

MR. GILBERT:

Mr. Chairman, I just have a couple of comments I would like to make on this bill. It was one of my pet bills when I was in Opposition, and I felt it was never given a proper debate. I know this bill was not introduced last year. I feel that sometimes the power we have in government is abused by loaning money, and banks become very adjusted to the fact that if someone wanted to stay in business, particularly if they were friends of the government or whatever, they could go and obtain a loan.

Now, the thing that brings me to my feet tonight is the item at the top of the list in this bill. It is a company called Easteel Industries (1984) Limited. Now, I talked about that three years ago, the last time there was a loan guarantee to them for considerably more than a \$1 million, which we are now writing off. To me, there is something wrong with a system

that would guarantee loans for Easteel Limited when, I understand, the principals of Easteel are all very successful business people in this Province, some of them with very prominent positions in the business community in this Province, and yet the taxpayer of Newfoundland is writing off money on loan guarantees for other companies they own.

I will say this: Now that we are in a position to grant loan guarantees, I hope provision is made to ensure that proper security is in place. And if the government is going to guarantee a loan to get a business started, or whatever circumstance surrounds it if these people own other companies or have security, full security should be given by the principals before the guarantee is given by government.

SOME HON. MEMBERS:
Hear, hear!

MR. CHAIRMAN:
The hon. the Premier.

PREMIER WELLS:
Mr. Chairman, I want to draw attention to something in the bill. I do not want it to go through without attention being drawn to it, because it represents not so much a change in a position but a final determination of a position that was raised by the government earlier. Attention has not been drawn to it up until now. There are two things I want to draw particular attention to: The Sprung Guarantee is one, and I will deal with that, but I also want to draw attention to the total amount. Members should realize that what we are providing legislative approval for here is a total of some forty-nine

guarantees totalling over \$100 million. Do not forget that. Do not overlook what we are doing. For two years the former government failed to bring in the amendment to the Loan And Guarantee Act, primarily because they did not want the Sprung issue debated in the House, and because they knew the response there would be by members of the House and the public. They did not want a full-scale debate on the Sprung issues, so they avoided bringing in those guarantees and we are now faced with having to approve a total of over \$100 million that the taxpayers of this Province have guaranteed. So I want to draw attention to that.

I also want to draw attention to the final position the government has taken with respect to the total Sprung guarantees. In addition to the direct cash the former government put into Sprung, there is a total of \$11,425,000 in this bill for Sprung alone, and there has been a \$3.5 million initial investment provided for in a Special Warrant tabled in this House last Spring.

Now, Mr. Speaker, when the government had gotten to the extreme point of having about \$18 million or \$19 million in the guarantees, when I was sitting on the opposite side of the House, I drew the bank's attention to the fact that it was unconscionable that they were continuing to pour more money into this venture without getting legislative approval and without it being publicly debated; I alerted the banks that they ought not to assume that there would be automatic approval of the House of Assembly for these guarantees; I told the banks not to count on the new government, after the election

- I was confident, Mr. Chairman, of what the results would be, and it turns out my confidence was well placed - bringing in legislation to honour these guarantees.

I went further and said that I would not take the political responsibility to bring the legislation before the House of Assembly to honour these guarantees. This, Mr. Chairman, caused some considerable concern. My hope was that the banks would show some concern for the taxpayers of this Province and would stop short and say, 'No, we are not prepared to put any more money into this venture until the taxpayers, through their elected spokespersons, have given approval for this investment of taxpayers' dollars.' They did not do that. They went ahead and still put in the two additional guarantees, and they are the two that are number 20 and number 21 in the bill that is under consideration in this resolution, Mr. Chairman.

We gave the matter a good deal of consideration. The main purpose of the statement I want to make today - I have prepared a written statement that I intend to table - is to bring the attention of the hon. House to these two particular guarantees that were issued to the major bank in respect of the Sprung facility. The persistent failure of the previous government to bring The Loan and Guarantee Act before the Legislature, and in particular their failure to put forward for approval the irresponsible guarantee of public funds for the Sprung project, led me to make the statement to which I refer.

Previous guarantees had been issued on behalf of the same

company for \$7 million and \$2 million, in addition to the cash advances that were made. These previous guarantees had been issued as far back as May and June of 1987, and no attempt was made to get legislative approval, despite the fact that the House was in session in June of 1987 and despite the fact that the House was in session again until July of 1988. The House closed, Mr. Chairman, on Friday, July 8, I believe, and on the following Tuesday, the subsequent Monday being a holiday, the government rushed through another \$2.6 million guarantee. That is an unconscionable affront to the democratic process and to the principle that the taxpayers must approve those kinds of undertakings by any government.

I still believe today, Mr. Chairman, that the position I had taken on this issue was the correct one throughout. The government of the day was remiss in not presenting the Sprung guarantees before the House for ratification when they had the clear opportunity to do so, and the bank, in those circumstances, ought not to have advanced further funds. However, because the previous administration did not do its job, this administration must now do what is right and proper.

Bill No. 7, which you have before you, includes the two guarantees in question. The government reviewed the whole matter, including the letters of undertaking written by the former Minister of Finance. I have a copy of it here and I would just like to refer to it for a moment, Mr. Chairman. This is what the former Minister of Finance wrote to the Royal Bank of Canada on November 17, 1988:

"As indicated to you by telephone, government has today approved an \$825,000 increase in the guarantee for the operating credit to your bank on behalf of Newfoundland Enviroponics Ltd. This will bring the amount of operating credit guaranteed by the Province up to \$5,425,000." That is just for the operating credit. It does not take into account the two earlier guarantees.

"The Department of Justice has been requested to draft the necessary amended guarantee documents, and the signed agreements will be available within a few days. Terms and conditions thereof will be similar to those in place with respect to the existing operating credit guarantees."

Now, here is the kicker, Mr. Chairman:

"Accordingly, I can assure you that the bank's position is secure."

Now, the government of this Province represented to the Royal Bank that their position was secure and asked them to put more money into this joint venture that the government had entered into with the Sprung enterprise. So they gave that assurance: "Accordingly, I can assure you that the bank's position is secure for operating credit advances to Newfoundland Enviroponics Ltd. in the amount of \$5,425,000."

So I met with the bank officials in the last month or month and-a-half and talked to them about the position they found themselves in and why they advanced the money, after the warning I had given, without getting the legislative approval

and this is what they provided me with: 'This was the undertaking and assurance that we had on behalf of government.'

I was still not satisfied, Mr. Chairman, that the new government would be obligated to commit the taxpayer to honour that irresponsible commitment given by the former government. I was still not convinced, Mr. Chairman, that it was proper to do it. The bank felt that whatever the legal position was, and I knew what the legal position was, and in the end the bank essentially agreed that it is not a breach of any contract and the government is not legally bound to do it. But we talked also to the financial people; the Minister of Finance talked to his officials and the financial advisors and there was some considerable concern that not providing legislative approval for these guarantees, thus enabling the bank concerned to be paid, could possibly affect the long-term credit of the Province so the government had to take that into account as well. We did, Mr. Chairman.

The bank also assured us that their discussions with knowledgeable and experienced advisors in these matters would indicate that a subsequent government should, even in these circumstances, provide for legislative authority to approve of these guarantees. So I said to the bank, 'If you feel that strongly about it, provide me with the opinion you are talking about.' They said, 'Fine! What about Professor Peter Hogg, who is the constitutional law expert in Canada?' I guess he is Canada's pre-eminent constitutional scholar. They told me they would provide such an opinion. I asked

them to go ahead and do it and they did. In fact, they did provide me with the opinion and, if hon. members are interested in it, I can arrange to have copies prepared for the morning and table it in the House if they want, but I suppose it is not necessary.

Let me just read the summary of that opinion. After canvassing the whole of the issue and dealing with it in detail, here is his summary: 'Conclusions: 'In the realm of strict law, in my opinion the guarantees of July 15, 1988 and December 6, 1988 are not enforceable because they were not issued in compliance with The Loan and Guarantee Act. The promise by the government contained in each guarantee to introduce the required amendment to the Act is, in my opinion, unenforceable. In the realm of convention' - the first seven pages of his letter deals with the three areas of law that would be concerned in this area - 'the strict law convention, which is a binding law that can bind people on accepted convention...' and then he deals with usage and practice.

So his second comment is on convention. In the realm of convention it is difficult to say whether the loan guarantees are binding. There is a long, consistent history of compliance by government and reliance by lenders, but so far as I know, no clear statements of a conventional obligation. And, of course, Mr. Well's statements imply the contrary. On the material before me, it seems doubtful that a convention could be established, but it is impossible to be categorical on the point.

In the realm of customer usage, however, it seems to me that the

present government ought to honour the two guarantees. They were used in conformity with a long-standing governmental practice, consistently relied upon in the past by lenders, although they were issued in the face of Opposition warnings. The British derived parliamentary practice confines the Opposition to criticism and acknowledges that the government has a right to govern. Thus the government's decision, however unwise, ought to be respected by the new government.

Faced with that, and concerned that we not do anything that would in any manner dishonor this Province, as I had indicated, Mr. Chairman, in the public statement I made on April 26, 'No government which I lead will do anything or fail to do anything that could in any way be judged to be dishonorable or improper. Not only will there never be a default of government's strict legal obligation, there will be no failure to treat totally, fairly, and properly every financial institution that has dealt with the government in the past or will deal with the government in the future.'

On that basis, Mr. Chairman, and to ensure that we protect not only the immediate short-term interest of the taxpayers of this Province but that we protect the longer-term interest, because very little would be gained, frankly, Mr. Chairman, by refusing to bring legislation - I still contend we had no political responsibility to do so - before this House for approval and gaining a \$3 million or \$3.5 million benefit for the taxpayers and losing \$20 million in higher interest rates because banks and financing institutions reacted badly to the position we

had taken.

Taking everything into account, Mr. Chairman, the government had decided to include those two guarantees as well as all of the other guarantees for Sprung, and the additional \$100 million of guarantees that had not been previously approved, and that is why they are in the bill.

I wanted to draw the attention of the House to that, Mr. Chairman, because I did not want it suggested that we allowed it to slip by unnoticed.

MR. CHAIRMAN:

The hon. the Opposition House Leader.

MR. SIMMS:

Mr. Chairman, I have a feeling that the hon. the Premier was not trying to draw the attention of members to this issue, I have a feeling he was trying to draw the attention of the media to this issue. That is the way it seems to me. He went at great lengths to rehash everything that was said during the election campaign on this issue, and prior to it, and made all kinds of accusations and took the opportunity to get his little digs in at the previous administration. We have no intention of debating and arguing this issue over and over. It has been fought, it has been argued, and fought and argued well during the election campaign, and prior to it. It was a well debated issue.

I will say this, that I am pleased to see the Premier has come to his senses on the issue of approving the loan guarantees. I think we said he should not be holding that threat over the banks' heads, because that would affect the

credibility of the entire government operation, no matter who formed the administration or who formed the government. So he has now seen fit to do that, having received all kinds of advice on the matter.

I also noted with some interest the fact that he obtained the advice of a constitutional expert or legal expert, Mr. Hall.

PREMIER WELLS:

No, the banks did.

MR. SIMMS:

The banks did. Peter Hall.

PREMIER WELLS:

Peter Hogg. H-O-G-G!

MR. SIMMS:

Oh, Peter Hogg. I am sorry!

Apparently, he is highly qualified, I understand.

PREMIER WELLS:

He is the pre-eminent constitutional scholar at Cambridge.

MR. SIMMS:

Having said that, then, perhaps the Premier should obtain the services of Mr. Hogg to assist him in interpreting the conflict of interest legislation. It might help him. He should do that.

In any event, Mr. Chairman, as I say, we have no intention of rehashing this whole debate. It is not our intention. If the Premier, rightly or wrongly, wants to take the time of the House to go through this dissertation, that is fine. I thought he was going to issue a press release, as a matter of fact. I thought that is what he said.

In any event, the question of the Sprung greenhouse operation is one that has been addressed very capably by the member for Humber Valley, on a number of occasions, unlike members opposite.

MR. DOYLE:

He is the only one who addressed it properly.

MR. SIMMS:

That is correct. He is our spokesman on agricultural matters. Your spokesman on agricultural matters does not speak on the Sprung issue, as I understand it. Nevertheless, the member for Humber Valley has quite capably explained the position of this side of the House. Mr. Chairman, the key to this entire operation will be whether or not the operation is successful. That is the only thing of interest to me as an individual. I think it is the only thing of interest to us on this side of the House, and I believe it is really the only thing of interest to the members opposite, particularly the Premier, notwithstanding the fact that there is debate and argument about what went into it and how much and all that sort of thing.

If the government is successful in retaining or getting back that \$10 million as part of the deal with the Dutch people, then it will mean that the net loss, or net investment, or whatever members opposite might want to call it, will be \$9 million or \$10 million or \$11 million, whatever. If it employs 100 or 150 people, or whatever, the debate will then be whether or not that \$9 million or \$10 million was a reasonable investment to bring new technology into the Province and to create new jobs. And that debate can go on forever. And if the answer to

that question still happens to be no in the minds of people, well, then, I think they seriously have to question investments that this administration or the previous administration and other administrations before it had made in mining industries, in forest industries, and those sorts of things, and in the fishing industry in particular. I honestly think that if the answer is no five years from now, if the project is successful and the net loss is \$10 million or \$11 million and the people still think that that is too big an investment, then you have to seriously consider whether or not you are going to continue to help and assist industries like the fishing industry.

In any event, Mr. Chairman, those are the comments I will make on this particular point right now.

Motion, that the Committee report having passed the resolution and a bill consequent thereto, carried.

MR. BAKER:

Motion 7.

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. KITCHEN:

Mr. Chairman, this is Bill No. 8, "An Act Respecting An Increase of Certain Pensions". Persons who are in receipt of a pension or survivor benefit by virtue of the acts listed in the Schedule, or on an ex gratia basis, whose effective date of retirement was on or before April 1, 1989, shall have their annual pension increased by 2.5 per cent.

Mr. Chairman, there is no indexing to our pensions and this is an ad hoc method of increasing pensions

of those who have already retired.

MR. SIMMS:

Mr. Chairman, obviously we have made an error. I do not know what bill was called.

MR. DOYLE:

Bill No. 8.

MR. SIMMS:

Bill No. 8 was introduced.

AN HON. MEMBER:

Motion 7 was called. That is Bill No. 10.

MR. SIMMS:

Motion 7, Bill No. 10. The minister has introduced the wrong bill. That is a bill, legislation. It is Bill 10 we are doing, the loan bill.

We understand the minister is nervous.

MR. BAKER:

Motion 7, Bill No. 10.

MR. CHAIRMAN:

The hon. the Minister of Finance.

DR. KITCHEN:

This is Bill 10, Mr. Chairman, "An Act To Authorize The Raising Of Money By Way of Loan To The Province." I am sorry about that.

Resolution

That it is expedient to bring in a measure to authorize the raising from time to time by way of loan on the credit of the province the sum of two hundred million dollars (\$200,000,000) and the additional sum or sums of money that may be required to retire, repay renew or refund securities issued under an Act of the province.

MR. CHAIRMAN:

Shall the resolution carry?

MR. SIMMS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the Opposition House Leader.

MR. SIMMS:

I just want to ask a question. This Bill is a measure to authorize the raising from time to time by way of loan on credit... the sum of \$200 million, and I want to ask the minister, and I am not thoroughly familiar with the process in the past, is this a new process now or is this the way it has always been done?

DR. KITCHEN:

It has always been done this way.

MR. SIMMS:

It has always been done that way, from time to time. So the Bill has not just come in asked for the amount that you need specifically. The clerk is telling me that this is the way it has always been done, and the Premier assures me.

Motion, that the Committee report having passed a resolution and a bill consequent thereto, carried.

MR. CHAIRMAN:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Chairman.

I move that the Committee rise and report progress.

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

MR. SPEAKER:
Order, please!

The hon. the member for Trinity -
Bay de Verde.

MR. CHAIRMAN:
Mr. Speaker, the Committee of the Whole has considered the matters to it referred and has directed me to report that it has adopted certain resolutions pertaining to Bills Nos. 3, 4, 5, 6, 7 and 10 and recommends that Bills be introduced to give effect to the same.

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

On motion, resolutions read a first and second time.

On motion a Bill, "An Act To Amend The Income Tax Act", read a first, second and third time, ordered passed and its title be as on the Order Paper. (Bill No. 3).

On motion, a bill, "An Act To Amend The Tobacco Tax Act, 1986", read a first, second and third time, ordered passed and its title be as on the Order Paper. (Bill No. 4).

On motion, a bill, "An Act To Amend The Gasoline Tax Act, 1978", read a first, second and third time, ordered passed and its title be as on the Order Paper. (Bill No. 5).

On motion, a bill, "An Act To Amend The Local Authority Guarantee Act, 1957", read a first, second and third time, ordered passed and its title be as on the Order Paper. (Bill No. 6).

On motion, a bill, "An Act To Amend The Loan And Guarantee Act, 1957," read a first, second and third time, ordered passed and its title be as on the Order Paper. (Bill No. 7)

On motion, a bill, "An Act To Authorize The Raising Of Money By Way Of Loan By The Province," read a first, second and third time, ordered passed and its title be as on the Order Paper. (Bill No. 10)

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

MR. BAKER:
Order 4, Mr. Speaker.

Motion, second reading of a bill, "An Act To Abolish Certain Ancient Rights Of Action In The Area Of Family Law And To Amend The Children's Law Act, The Family Law Act, The Reciprocal Enforcement Of Support Orders Act And The Support Orders Enforcement Act In Order To Correct Anomalies And Errors In Those Act". (Bill No. 9).

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

MR. DICKS:
Thank you, Mr. Speaker.

I would like to introduce a bill which has a rather long title and reads as follows: "An Act To Abolish Certain Ancient Rights Of Action In The Area of Family Law -

MR. SIMMS:
Just tell us what it is about.

MR. DICKS:
Well, Mr. Speaker, I think I would be remiss if I let the opportunity pass without commenting on Clause (2) of the bill. It is essential, I think, without dealing in any

great detail with the other provisions. As a practitioner in this Province, there are certain honoured remedies of the law that are somewhat hoary with age, one might say, certain ancient remedies, as it were, which have little use but a certain fondness to all practitioners. Current social thinking would have it that they serve no longer a useful purpose, but I think that we should, each of us, for a moment, reflect on what we are about to abolish in Clause 2 of that bill. One is that we will eliminate criminal conversations and damages resulting therefrom, and also from adultery. Secondly, that there shall no longer be a remedy by a married person for the enticement or harbouring of his or her spouse of that person and damages resulting therefrom and, lastly, no action for the restitution of conjugal rights.

SOME HON. MEMBERS:
Hear, hear!

MR. DICKS:
I take it from the comments of the hon. the House Leader opposite that he concurs and would no doubt lament the passing of some of these remedies, but certainly we would all concur in that result.

Mr. Chairman, all levity aside, these are remedies which serve no longer a useful purpose. I think, consistent with the previous government's position on consolidation of various and substantial legislation which was scattered throughout a number of years, there were consolidations of that law and The Children's Law Act, The Family Law Act, The Reciprocal Enforcement Of Judgments Act, which was the support enforcement for provision for maintenance and otherwise.

Most of the causes we have here, some are substantial, some are procedural, giving access and making it clear that remedies could be sought and enforced by different levels of the court, including the Trial Division of the Supreme Court and Provincial Court of the province. There are also enforcement provisions here dealing with custody being able to be given to a social worker under international law and so forth.

PREMIER WELLS:
Draw attention to the fact that it is retroactive.

MR. DICKS:
Mr. Chairman, the intent of the law, which I believe was passed in the last session of the Legislature, most of it was that this all be consolidated and be effective from that date. I think these are relatively minor amendments to the legislation that was passed, and it should not pass without note that Section 7 will have a retroactive effect, that the date of commencement of these amendments will be back to the first month or the first day of May of this year.

Other than that, Mr. Speaker, I have nothing to add to the bill being introduced to the House.

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

MR. SIMMS:
We move second reading.

MS VERGE:
Thank you, Mr. Speaker.

I have great pleasure in supporting the principle of this bill. It is a measure that was put together when I was Minister

of Justice and many members on this side formed the government.

SOME HON. MEMBERS:

Hear, hear!

MS VERGE:

I will comment briefly on the first part, which is the only substantive provision, and that is the elimination of the ancient remedies. These are remedies which are inherently sexist, and it is high time we eliminated them from the Statute Books of our Province. They have been seldom used in our lifetime, thankfully, but, nevertheless, they did exist on paper and they have been used occasionally in the last few years. So it is high time that they were removed. Let us hope the attitudes that underlay these remedies will be eradicated as well. That, unfortunately, will not be as easy.

The second part is really another errors and anomalies statute relating to the package of family law reform legislation which we passed in the last session, all of which came into force on May 1 of this year, and I understand the reason for the coming into force of these amendments retroactively on the same date.

The new minister seems to think that the statutes being amended amounted to a consolidation of the earlier family law. That is true in part, but I am sure he does realize that there were many important and significant changes in the family legislation contained in those statutes. I am told by family law practitioners that already the new legislation has done tremendous good. The Family Law Act sets out modern provisions for maintenance and child support before divorce. The

enforcement legislation creates the agency which is giving a mechanism for enforcing orders and collecting payments to which beneficiaries are entitled. Most of the beneficiaries, of course, are women and children. The Children's Law Act has many significant provisions, including eliminating the concept of illegitimacy and making all children, whether born within a marriage or outside a marriage, equal before the law. Also, the Children's Law Act sets out a proper mechanism for resolving disputes between parents and other relatives about the custody of children and about access to children. These changes are all needed to eliminate minor and technical errors in that family legislation. I quite enthusiastically support this Bill, Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, I do not have very much to say to it except that I want to comment on the retroactivity. Little did I think that the ninth bill introduced in the legislature by the government that I lead would provide for retroactivity, because I really think that any legislature should avoid retroactivity like the plague. What has happened here is last year, people will remember, in the latter stages of the session, we put through some very significant legislation that was needed and performed a very worthwhile effort, and is very valuable legislation. I had some strong concerns about some of it, and I felt we were rushing at it. And there were some aspects to it to which I did object. None of it is reflected in this,

incidentally. These changes were all initiated by the member when she was the Minister of Justice, as she says. What it does do is reflect the fact that we rushed at it so fast that we made all of these errors in the Bill and it now becomes necessary, even before the law is implemented, to bring in these massive changes.

MS VERGE:
Massive?

PREMIER WELLS:
These significant numbers of changes, is what it is.

MS VERGE:
They are not massive.

PREMIER WELLS:
Well, significant numbers, massive numbers. I am sorry. They are not major changes in principle, they are correcting routine errors. This is what it is doing. The point I want to make, Mr. Speaker, is this is one of these rare circumstances where you can sort of justify retroactivity because it does not take away anybody's rights, or does not affect anybody's rights in any manner. The new law just came into effect on May 1 and everybody knows that they were operating on the basis that these errors were corrected in the Bill. So, this is one of the rare circumstances where I hope we will ever see retroactivity provided for in this legislation.

On motion, a bill, "An Act To Abolish Certain Ancient Rights Of Action In The Area Of Family Law And To Amend The Children's Law Act, The Family Law Act, The Reciprocal Enforcement Of Support Orders Act And The Support Orders Enforcement Act In Order To Correct Anomalies And Errors In

Those Acts", read a second time, ordered referred to a Committee of the Whole House presently, by leave.

MR. BAKER:
Order 5.

Motion, second reading of a bill, "An Act Respecting An Increase Of Certain Pensions." (Bill No. 8).

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

DR. KITCHEN:
Mr. Speaker, this is the one I referred to several minutes ago in error. Mainly what we are trying to do here is get authority to increase the pensions of those already on pension by 2.5 per cent. We have no regular method as yet of providing for cost of living increases and things like that in pensions, and this is our ad hoc way of handling it.

MR. SPEAKER:
The hon. the member for Grand Bank.

MR. MATTHEWS:
Mr. Speaker, just a couple of points of clarification from the minister. I was just wondering how you arrived at a 2.5 per cent increase, number one. I do not think that even keeps up with the rate of inflation for the last twelve months or so, or what is projected to be the rate of inflation for the next year. Next year, I would think it would be somewhere around 4 per cent or 4.5 per cent. Would that be correct?

DR. KITCHEN::
No, it is about 2.4 per cent.

MR. MATTHEWS:
Yes. I am just wondering why you would arrive at 2.5 per cent.

The other thing is Clause (3): 'The minimum pension or survivor benefit being paid by virtue of the Acts listed in the Schedule... shall not be less than \$2,700 per year...' Could the minister tell me how much of an increase that is? Was it less than that before?

DR. KITCHEN:

The minimum pension or survivor benefit being paid by virtue of the Acts -

MR. MATTHEWS:

Shall not be less than \$2,700 per year. Is that up from what it was? If so, how much was it before that?

DR. KITCHEN:

Mr. Speaker, I cannot answer the question about what it was before. I just do not know the answer, but I am pretty sure it is up. When indexing pensions, it is not customary to index them to the full 100 per cent anyway. My recollection is that the cost of living increase last year was in that vicinity, in Newfoundland.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

The cost of living index during the last year went up 2.4 per cent in Newfoundland. So I think that really covers the full cost of living increase. The \$2,700 is comparable to the 2.4 per cent rounded off to the nearest 100, as the minimum amount.

On motion, a bill, "An Act Respecting An Increase Of Certain Pensions," read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill No. 8)

Motion, second reading of a bill, "An Act To Remove Anomalies And Errors In The Statute Law." (Bill No. 11)

MR. SPEAKER:

The hon. the Minister of Justice.

MR. DICKS:

Thank you, Mr. Speaker.

I would like to introduce the bill that Your Honour referred to. This is essentially a bill that is brought forward in each session by the Attorney-General's department to remove errors that are detected over the course of the year - during the session is probably more accurate - that come to the attention of Legislative Counsel. Sometimes these are substantive, but most often, particularly in this case, I think they are mostly minor errors that have crept into various enactments.

One worthy of note, perhaps, for my learned friends in the Opposition, is Clause (18) in which it was discovered that The Legislative Disabilities Act, under which, I understand, salaries are paid, did not include the official Leader of the Opposition and we could hardly let that oversight continue. That is one of the amendments here.

I really do not think there is much, Mr. Speaker, that would be contentious. There are amendments consequential upon Mount Pearl becoming a city and therefore adding it to various enactments, including The Assessment Act. There are certain ones that deal with the Constitution and electoral requirements and amendments to The Election Act and The Municipalities Act to clarify the situation with respect to the upcoming November elections.

Other than that, Mr. Chairman, I think the House will find that most of the amendments are minor, consequential in nature, and I do not think serious objection will be taken to any of them. I therefore move second reading, Mr. Speaker.

MR. SPEAKER:

The hon. the member for Humber East.

MS VERGE:

Thank you, Mr. Speaker.

As the Minister of Justice says, in each session the Minister of Justice puts forward a Statute or bill of this nature correcting various minor errors in the Statutes that have been passed previously. Listening to the new Premier, I suspect that we will not see this kind of bill being put forward in the future, since he says the new government will not make any mistakes in bills. So this is probably the last Errors And Anomalies Bill that we will be doing in this Assembly.

SOME HON. MEMBERS:

Hear, hear!

MS VERGE:

An historic moment in parliamentary history.

Mr. Speaker, the minister said he did not think any of the provisions of this bill are major. I would like his assurance that, in fact, none of them are major and that each of them is minor and technical, because that is what an errors and anomalies bill is supposed to be restricted to. If there has to be small change to a statute which is major, then it should be put forward in a separate bill. So I would like the minister's

assurance that each of these is technical. Having looked through them myself, I can see provisions that are only of a housekeeping nature, clearing up grammatical errors or tidying up statutes to make sure they conform with amendments put forward in the last year or two.

There is one clause here, the amendment to The Human Rights Code, which I think is very important. It makes a minor revision to a major change made to The Human Rights Code in the last Session, a change that came into force last October 1. I would like to read that, because I think this is quite significant since it asserts the pre-eminent status of The Human Rights Code in the Statute Books of our Province. It is Clause 15 and it says Section 6 of Code is repealed and the following substituted: "This Act shall take precedence over other statutes where other statutes conflict with this Act whether enacted before or after the commencement of this Act." I am pleased to see that, Mr. Speaker.

On behalf of the Opposition, I concur with this first and last errors and anomalies bill of the new real change administration.

MR. SPEAKER:

If the minister speaks now he will close the debate.

The hon. the Minister of Justice.

MR. DICKS:

Thank you, Mr. Speaker.

I believed my learned colleague, the member for Humber East, asked the question 'whether or not'? I think she wanted the assurance of the Minister of Justice that there were no substantive measures in

this. I guess it depends upon what one means by substantive, but I think I can assure the House that this is the normal bill brought forward through the Legislative Counsel for errors that are detected. Sometimes they veer with consistency, as I believe Section 12 (Clause 24) touches on trying to remove this whole idea of illegitimacy from The Children's Law Act, and so forth, as does, as well, Clause 2, which touches on The Adoption of Children Act, 1972. The other point being, and members will note, that most of these amendments contain different effective dates. I believe the intent of that for the most part is to bring it back to the point at which the legislation was brought in just to achieve the original intent. As the majority of them are not substantive, at this point in time, at least, one would not see too much fallout in the nature of court matters or things arising that would be dealt with substantially different than if the Act had not been brought into effect. It might, in fact, remove some problems the judiciary and we as members of this House might have in interpreting the true intent of prior Legislatures.

But in any event, Mr. Speaker, my learned friend, the member for Humber East, has spoken in general support of it and I think we probably both concur in recommending it for passage to this hon. House.

On motion, a bill, "An Act To Remove Anomalies And Errors In The Statute Law", read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill No. 11).

The hon. the Government House

Leader.

MR. BAKER:

Thank you, Mr. Speaker.

It now being 10:00 p.m. I wonder if we could have agreement to stop the clock, and I would ask concurrence of the whole House to go ahead and do the committee stages of Bills 8, 9, and 11 with the clock stopped.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

Mr. Speaker, the hon. Government House Leader might be pressing it just a little bit too much, pushing his luck just a little. We have been very co-operative and helpful. However, in view of the fact that we have a long day ahead of us tomorrow, a long week ahead of us next week, lots more opportunities for debate, and tomorrow will be a wide-ranging debate, dealing with the budget, on behalf of my colleagues here I am prepared to offer cooperation. However, since you have asked on so many occasions, so many times for our co-operation and for leave, I am wondering if the Government House Leader might be able to use his considerable influence in the government to provide the Opposition with a couple of fans for the offices down on the Fifth Floor. Certainly, if the Government House Leader is prepared to consider that kind of a request, we have absolutely no difficulty at all in co-operating to stop the clock. The Government House Leader will look into that, will he?

MR. BAKER:

There are some there.

MR. SIMMS:

You took them with you. It is missing. It is like all the stuff you have been talking about over there, it is missing.

MR. BAKER:

Mr. Speaker, I move that the House resolve itself into Committee of the Whole to consider said bills.

On motion, that the House resolve itself into a Committee of the Whole to consider certain bills, Mr. Speaker left the Chair.

Committee of the Whole

MR. CHAIRMAN:

Order, please!

A bill, "An Act To Abolish Certain Ancient Rights Of Action In The Area Of Family Law And To Amend The Children's Law Act, The Family Law Act, The Reciprocal Enforcement Of Support Orders Act And The Support Orders Enforcement Act In Order To Correct Anomalies And Errors In Those Acts. (Bill No. 9)

Motion, that the Committee report having passed the bill without amendment, carried.

A bill, "An Act Respecting An Increase Of Certain Pensions." (Bill No. 8)

Motion, that the Committee report having passed the bill without amendment, carried.

A bill, "An Act To Remove Anomalies And Errors In The Statute Law." (Bill No. 11)

Motion, that the Committee report having passed the bill without amendment, carried.

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

MR. SPEAKER:

The hon. the member for Trinity - Bay de Verde.

MR. CHAIRMAN:

Mr. Speaker, the Committee of the Whole has considered the matters to it referred and has directed me to report having passed Bills Nos. (9), (8) and (11) without amendment, and asks leave to sit again.

On motion, report received and adopted, Bills ordered read a third time now, by leave, Committee ordered to sit again on tomorrow.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Third reading of Bill No. 9, Mr. Speaker, by leave?

MR. SIMMS:

We do not have those fans yet.

SOME HON. MEMBERS:

Hear, hear!

On motion, the following bills were read a third time, ordered passed and their titles be as on the Order Paper.

A bill, "An Act To Abolish Certain Ancient Rights Of Action In The Area Of Family Law And To Amend The Children's Law Act, The Family Law Act, The Reciprocal Enforcement Of Support Orders Act And The Support Orders Enforcement Act In Order To Correct Anomalies And Errors In Those Acts". (Bill No. 9).

A bill, "An Act Respecting An Increase Of Certain Pensions". (Bill No. 8).

A bill, "An Act To Remove Anomalies And Errors In The Statute Law". (Bill No. 11).

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Chairman.

I would like to thank the Opposition for their co-operation tonight. I know they did it because they need some fans. I understand that.

It is important that we get the budgetary process through as quickly as possible, because it has been so long delayed. It is getting late in the year, and the budget process should be gotten through as quickly as possible.

I would like to thank the Opposition for providing the level of co-operation they have on this occasion. I would also again make note of the fact that the Opposition House Leader has indicated on a number of occasions that this great level of co-operation will not continue beyond, perhaps, the next short while, and that in the next Session we can look forward to not as many smiles from the Opposition House Leader.

The Premier wonders if by leave of the House he could have a word or two before we adjourn.

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

The fact is it is sad news, but I

wanted to advise the House of it. I have been advised that Mr. Bill Campbell, who is a Senior Manager at the Iron Ore Company of Canada, died suddenly today in Labrador City. He was a very young man. He went to university with me, so he had to be very young. He is a friend I have known for thirty-odd years, and I have to say that everybody I know who has had anything whatsoever to do with him have a very high regard for him, for his integrity and for his competence, and for his contribution he made to the management of the Iron Ore Company of Canada, in Labrador City, and for his contribution generally in public affairs in Labrador City.

I am sure, Mr. Speaker, that all members will agree that this House express to Mr. Campbell's family the condolences of members on both sides of the House. I would ask the approval of the House to ask Your Honour to convey the condolences of the House to the family of the late Mr. Campbell.

MR. SPEAKER:

The hon. the member for Menihek.

MR. A. SNOW:

On behalf of this side of the House I would certainly want to associate with the remarks the hon. the Premier made with regard to respect being paid to the late Mr. Bill Campbell. He served the Province well, indeed, through his service to the community of Labrador City, by his service to the mining sector, the amount that has been contributed to this Province in riches generated within the District of Menihek.

And, of course, he also served in the social field and in community levels within Labrador City. He served on many Boards of

Directors: the Hospital, the Ski Lodge. He was one of the founding members of our local Ski Lodge, and he was one of the founding members of the Curling Club. He was a major contributor to the life of Labrador City and I am sure that I express the feelings of this side of the House, in concurrence with the hon. the Premier, when I say that we totally agree with the remarks he made. I will be attending his funeral tomorrow, and I will personally bring the regards of this House, and the hon. the Premier, to his family.

MR. SPEAKER:

The Chair will acquiesce to the request of hon. members in this matter.

The hon. the Government House Leader.

MR. BAKER:

Mr. Speaker, I move that the House at its rising do adjourn until tomorrow at 9:00 a.m. and that the House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Friday, June 30, at 9:00 a.m.

QUESTION # 36, Order Paper 17, June 14, 1989

Mr. Alvin Hewlett (Green Bay) to ask the Honourable the Minister of Environment and Lands to lay upon the Table of the House the following information.

- A Breakdown of the Capital Expenditures in the 1989-90 Provincial Parks Budget according to Park Name and Provincial District in which the Parks reside.

RESPONSE

Itemized list attached of the 1989-90 Capital Expenditures by Provincial Park and District, as requested by the Honourable Member for Green Bay.

In total, \$658,000 is being expended in Liberal Districts, \$329,000 in Progressive Conservative Districts, and another \$126,000 will be expended primarily on supplies for distribution to various Parks throughout the Province.

The Total Capital Budget is \$1,113.00.

Capital Projects 1989/90

Provincial Parks Division
June 28, 1989AvalonDistrictHr. Main
\$141,300

<u>Park</u>	<u>Project</u>	<u>Cost</u> \$
ButterPot	Bridge repairs (B.I.)	6,800
	Wells (B.I.)	2,400
	Beach Improvements (B.I.)	5,000
	Road upgrade (B.I.)	15,000
	Amphitheatre repairs (B.I.)	1,400
	Road improvements:	100,000
	Park Total	130,600
Gushues Pond	Steps (B.I.)	700
	Campsites upgrade (B.I.)	2,500
	Road & campsite upgrade (B.U.)	7,500
	Park Total	10,700
Jacks Pond	Landscaping (B.I.)	8,000
	Toilets (B.I.)	600
	Pumphouse (B.I.)	2,200
	Roads & Campsites (B.U.)	5,000
	Boat & Motor (water safety) (B.U.)	3,400
	Park Total	19,200
Fitzgeralds Pond	Changehouses (B.I.)	1,000
	Toilets (B.I.)	900
	Well, pump & pumphouse (O.H.S)	6,500
	Park Total	9,300
Cataracts	Toilets (B.I.)	1,300
	Upgrade trail/fencing (B.I.)	7,400
	Park Total	8,700

Bellevue
\$ 19,200Placentia
\$ 18,000

Avalon

Grand Bank \$ 5,500	Frenchmans Cove	Toilets (B.I.) Road Upgrading (B.I.) Park Total	600 <u>4,900</u> 5,500
Burin Placentia West \$ 3,500	Freshwater Pond	Toilet pits (B.I.) Road upgrading (B.I.) Ditching (B.I.) Park Total	600 2,700 200 <u>3,500</u>
Ferryland \$ 11,400	Chance Cove	Road repairs (B.I.) Well, pump & generator (O.H.S.) Park Total	2,500 8,000 <u>10,500</u>
	La Manche	Generator repairs (B.I.) Park Total	900 <u>900</u>
Carbonear \$ 9,500	Northern Bay Sands	Landscaping (B.I.) Road upgrading (B.U.) Upgrade water supply (O.H.S.) Park Total	3,000 2,500 4,000 <u>9,500</u>
N/A	Regional Distribution all parks	Supplies/Temp carpenter (B.I.) Park Total	24,600 <u>24,600</u>
Trinity-Bay de Verde \$ 6,300	Backside	Road & campsite upgrading (B.U.) Park Total	6,300 <u>6,300</u>
St. John's East Extern	Marine Drive	Accessible toilets/changehouse (B.U.) Upgrade staff accomdatons (O.H.S.) Park Total	7,000 10,000 <u>17,000</u>
N/A	Regional (all parks)	Bldg materials for tables/toilets and back tank stands (B.U.) Radial arm saw (B.U.) Park Total	12,500 1,600 <u>14,000</u>
		Avalon Total	270,400

<u>Eastern Region</u>			
<u>District</u>	<u>Park</u>	<u>Project</u>	<u>Cost</u>
			\$
N/A	Regional (all parks)	Culverts (B.I.)	5,300
		Picnic tables (B.I.)	8,600
		Park Total	13,900
Windsor Buchans \$ 62,600	Beothuck	Drilled well & pump (O.H.S.)	5,000
		Park Total	5,000
	Catamaran	Phase I Checkpoint (B.I.)	19,000
		Road surfacing (B.U.)	23,600
		Drilled well & pump (O.H.S.)	5,000
		Park Total	47,000
	Pearsons Peak	Basic upgrading	10,000
		Park Total	10,000
Fortune Hermitage \$ 1,700	Little River	Guard rails (B.I.)	1,700
		Park Total	1,700
Bonvista North \$ 35,200	Square Pond	Parking lot (B.U.)	5,400
		Park Total	5,400
	Windmill Bight	Well & Pump (B.I.)	5,000
		Road upgrading (B.U.)	9,000
		Park Total	14,000
	Smallwood	Toilet & wash facilities (O.H.S.)	15,800
		Park Total	15,800
Gander \$ 21,800	Jonathans Pond	Upgrade campsites (B.I.)	6,000
		Plumbing & electrical (O.H.S.)	15,800
		Park Total	21,800

Eastern

Twillingate
\$ 10,700

Lewisporte
\$ 4,200

Dildo Run

Notre Dame

Drill & well pump (B.I.)	5,000
Toilet & wash facilities (O.H.S.)	<u>5,700</u>
Park Total	10,700
Regional Offices toilet (O.H.S.)	<u>4,200</u>
Park Total	4,200
Total Eastern Region	149,500

June 28, 1989

Central Region

<u>District</u>	<u>Park</u>	<u>Project</u>	<u>Cost</u> \$
Humber Valley \$ 21,500	Squires Memorial	Stairwell repairs (B.I)	5,000
		Repairs to amphitheatre (B.I)	5,000
		Cabin repairs (B.U.)	11,000
		Park Total	21,500
Menihek \$ 50,700	Duley Lake	Purchase mobile house (B.I)	12,000
		Location & trucking (B.U.)	5,700
		Well pump & hydro (O.H.S)	33,000
		Park Total	50,700
St. Barbe \$ 21,000	River of Ponds	Phase II Cabin (B.I.)	12,000
		Complete Cabin (B.U.)	4,000
		Cabin furnishings (B.U.)	5,000
		Park Total	21,000
Baie Verte-White Bay \$ 44,800	Flatwater Pond	Cabin renovation (B.I.)	16,000
		Flooring (cabin) (B.U.)	2,300
		Well pump & hydro (O.H.S.)	26,500
		Park Total	44,800
Humber East/West \$ 6,000	Pasadena Beach	Upgrading parking lot (B.U.)	3,000
		Toilet wash facility (O.H.S.)	3,000
		Park Total	6,000
Strait of Belle Ise	Pistolet Bay	Comfort station/trailer dumping	135,000#
		Park Total	135,000
Green Bay \$ 6,000	Indian River	Well pump (O.H.S.)	6,500
		Park Total	6,500
N/A	All Parks	Misc. (O.H.S.)	7,000
		Park Total	7,000
Central Region Total			292,500

Western

St. Georges \$109,600	The Grass Robinsons River	Land acquisition	96,000
		Park Total	<u>96,000</u>
	Grand Codroy	Shower repairs (B.I.)	1,800
		Park Total	<u>1,800</u>
	Barachois	Ditching/road repairs (B.I.)	4,600
		Park Total	<u>4,600</u>
	Mummichog	Saw for carpenter shop (B.U.)	5,000
		road upgrading (B.U.)	3,200
		Park Total	<u>7,200</u>
Burgeo Bay D'Espoir \$100,000	Sandbanks	Campsites	100,000
		Park Total	<u>100,000</u>
Port au Port \$ 19,500	Piccadilly Head	Road upgrading/ditching (B.I.)	7,300
		Drilled well/pumphouse (B.I.)	6,500
		Road upgrading (B.U.)	5,700
		Park Total	<u>19,500</u>
Bay of Islands \$101,700	Blow Me Down	Campsite upgrading (B.I.)	4,500
		Trail upgrading (B.I.)	1,700
		Power to comfort station (B.I.)	7,000
		Comfort station	82,000
		Park Total	<u>95,200</u>
	Blue Ponds	Drill well & pumphouse (B.I.)	6,500
		Park Total	<u>6,500</u>
N/A	Regional (all parks)	Siding (B.U.)	3,600
		Culverts (B.I.)	2,600
		Temp Carpenter (B.I.)	7,500
		Fireplaces (B.U.)	8,500
		Culverts (B.U.)	3,800
		Park Total	<u>26,300</u>

Western

La Poile
\$ 3,500

Cheeseman

Ditching, road upgrading (B.U.)
Park Total

3,500
3,500

Western Total

360,600

Summary

Avalon \$ 270,400
Eastern 149,500
Central 292,500
Western 360,600

Misc. (various parks) 1,073,000
Interpretation 40,000

Grand Total

1,113,000

B.I. Basic Improvements
B.U. Basic Upgrading
O.H.S. Occupational Health & Safety

* Refers to funds provided under the Canadian Newfoundland Tourism Subagreement.

ORDERS OF THE DAY 11/89

Tabled by Hon.
Min. of Finance,
29 June '89

Question No. 14 Mr. Len Simms (Grand Falls) to ask the Honourable the Minister of Finance to lay upon the Table of the House the following information:

An itemized list of expenditures for any office equipment, personal equipment, furnishings and photographs purchased for the Minister's Office since May 5, 1989?

Answer The only equipment purchased for the Minister's Office since May 5, 1989 was a Word Processing System including a printer and Word Perfect.

Approximate cost - \$8,100.00