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Speaker: Honourable Thomas Lush

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The House met at 2:00 p.m.

MR. SPEAKER (Lush):
Order, please!

PREMIER WELLS:
Mr. Speaker,

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
Mr. Speaker, before we get into today's business, this is the second time this week that I have drawn the House's attention to the passing of a noted resident of this Province. Captain Frank Puddister died yesterday afternoon, and for most people engaged in life on the sea and fisheries and shipping in this Province, Captain Frank Puddister was a household name. He has amassed a tremendous record of performance and dedication for the benefit of the people of this Province, particularly in the shipping business. Over recent years his family has developed substantial shipping interests, he was a sealing captain, and they promoted and put together the original ferry service from St. Barbe to Blanc-Sablon and to the best of my knowledge the family company still operates that service. I can say to the House, Mr. Speaker, that it is a fine quality service, I have used it on a number of occasions. This Province can ill afford the loss of individuals like Captain Frank Puddister who have demonstrated tremendous initiative over the years and tremendous entrepreneurship, and in the process made a very substantial contribution to the Province. To his family I offer, on behalf of all Members of the House I am sure, Mr. Speaker, our sincere condolences and our respect on

behalf of the people of the Province, and I would ask that your honour consent to send a letter to the family indicating the expressions of sympathy of the Members of the House. Thank you, Your Honour.

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

MR. TOBIN:
Mr. Speaker, we on this side of the House obviously want to associate ourselves with the comments and remarks made by the Premier regarding Captain Puddister. I have had the honour of knowing Captain Puddister and his family. He is a man of great esteem, a man who has made a great contribution to the Marine life of our Province. Captain Puddister probably holds one of the highest seagoing tickets in this Province, he is a man whose expertise and knowledge of the sea has been used throughout the world. He has often been called upon in various parts of this country to pilot heavy ships and things such as that.

Captain Puddister has sons who have been involved in Marine life as well. His youngest son, Jerry, just graduated with a masters degree from the marine school over in England. Art, is another fellow who is very actively involved in his father's business, and to Father Frank we offer, I am sure our condolences. So we on this side of the House, Mr. Speaker, want to share with the comments of the Premier and we too join in asking you to send the condolences to the family on the passing of a great Newfoundlander and a man who has contributed greatly to the marine life of this Province.

Statements by Ministers

MR. EFFORD:

Mr. Speaker,

MR. SPEAKER:

The hon. the Minister of Social Services.

MR. EFFORD:

Thank you, Mr. Speaker. I would like to advise the House of my Department's continuing efforts in delivering an effective child welfare program in this Province. As hon. Members are aware, the incidence of child abuse referrals has increased dramatically in our Province over the past year. This has also been the case all over North America. As a result child protection caseloads have increased substantially to the point where our Department has not been able to respond to this demand as we would like because of shortage of staff.

But, Mr. Speaker, a society that cannot properly care for its children cannot survive -- and neither should it. I do not believe there is a more shocking or disturbing problem afflicting society today than child abuse. As Minister responsible for the care of children in this Province, I am determined to do everything in my power to deal effectively with this issue.

Mr. Speaker, my Department does not have enough positions to effectively deliver all seven programs for which it is responsible. Given our limited financial resources we may never have enough. So we must set priorities and allocate our resources to achieve maximum results.

Very soon after I became Minister of Social Services, I recognized that child abuse must be my top priority. My officials and I have worked very hard in addressing this issue.

I am very pleased and proud that the recent budget announced the creation of fifty new child welfare positions. Already recruitment has commenced and the positions have been advertised across Canada. We are hopeful that suitable applicants will be identified and placed in these positions in the near future. As well, a major training exercise has been developed in child sexual abuse intervention and efforts are now under way to develop an intensive training package for traumatized victims and their families. The filling of the fifty social worker positions will significantly assist workers everywhere in coping with increased work loads and will improve my Department's capability in delivering necessary child protection services throughout the Province.

Because of the high volume of child protection cases in the St. John's area, my Department decided last year that an office should be established on a permanent basis to deliver child protection services exclusively. I am pleased to say that the child protection services office in St. John's, which was formerly located on Waterford Bridge Road, has recently moved to the Ashley Building on Peet Street. The rapidly expanding staff in this office has necessitated the need for larger and more suitable office space.

Mr. Speaker, in closing I want to assure Members of this House of my

Department's commitment to effectively address the problems of child abuse in this Province. Much has been done in the past year and much more must be done and as Minister of Social Services I am determined to do that.

Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Humber East.

MS VERGE:

Thank you, Mr. Speaker.

On behalf of the official Opposition I want to express wholehearted support for the Minister's steps to strengthen the Child Welfare Division of his Department, and also to express strong support for the Minister's pledge to continue to upgrade child welfare services. The fifty new child welfare positions that are being funded through the new budget and that are now being advertised are badly needed. The Minister has acknowledged that even when these fifty positions are filled the average case-load for his staff will be unacceptably high. He told the Social Estimates Committee that even after the addition of the fifty new positions the average caseload will be twice the recommended level, and I am glad to hear him commit himself to seek ongoing improvements. A couple of comments and questions. The Minister has, in his announcement, talked about a major training exercise. I trust this is training directed at existing staff as well as new personnel being added. I understand a significant number of social workers and employees of the Department of Social Services are only temporary, since they lack

social work degrees, the prerequisite for a permanent social worker position.

I trust the Minister and his Department will assist these temporary employees, many of whom have real confidence to upgrade their qualifications so that in addition to a BA or a BEd which many of them now possess they will be able to get BSWs. Also, the Minister in his statement commits himself to carrying out training for traumatized victims and their families. I trust he means by this the provision of supports, including counselling and compensation for victims. I remind him that in addition to dealing with children who disclose crimes committed against them, the Department should be serving adults who are disclosing only in their adult life crimes that were committed against them when they were young.

Mr. Speaker, I would like to take this opportunity to address other Members of the Government. The Minister of Social Services is showing praiseworthy leadership. However other Departments that share responsibility for dealing with problems of child abuse have not put forward needed initiatives.

MR. SPEAKER:

Order, please!

The hon. the Member's time is up.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

By leave, no doubt!

MS VERGE:

Mr. Speaker, I will have to return to this at a later time on the agenda of the House.

Oral Questions

MS VERGE:
Mr. Speaker,

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

MS VERGE:
Thank you, Mr. Speaker.

Mr. Speaker, yesterday I asked the Minister of Finance and the Premier to explain how they calculated their budget projection of \$15 million net from the new payroll tax in this budget year, in which the tax will be applied for two-thirds of the year. They did not provide the breakdown yesterday. I would like to ask the Minister of Finance today if he would explain to me what part of his \$15 million net estimate is coming from private sector employers, what part of it is coming from Federal Government employers, and, third, what part of it is coming from Provincial Government Departments and agencies?

MR. R. AYLWARD:
Up, up, up!

MR. SIMMS:
Yoo-hoo! We are talking to you, Herb.

MR. SPEAKER:
Order, please!

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

DR. KITCHEN:
Mr. Speaker, the Member was nice to me today. She did not abuse me at the beginning. I suppose it is starting a new trend. So as long as she speaks politely, I will

answer her questions. I would have answered it yesterday except that she spoke in such a nasty fashion, calling me names like jellyfish and things like that.

Basically, of the \$15 million, maybe around \$4 million would be Federal, a very small amount would be Provincial Crown corporations and things like that, and the bulk of it would be private.

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

MR. SIMMS:
Why did you not say that yesterday?

MS VERGE:
Mr. Speaker, I would like the Minister to be more explicit. The reason I am asking these questions is that my information, which undoubtedly is not as complete as the Minister's, indicates that the true projection of net revenue from the payroll tax this year is more like \$7 million, and that the Minister's Budget bottom line is actually out by about \$8 million. Would the Minister be more explicit in explaining how he has come up with this calculation?

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

DR. KITCHEN:
Mr. Speaker, I have asked officials on numerous occasions to look at this figure to see if it is appropriate, and each time they have recalculated and they say \$15 million is as close as we can come to it. And that is pretty good. Because it is very difficult for anyone to forecast a tax at the beginning of the year when people have not all been hired yet, and things like that. So \$15 million is a carefully calculated

projection. Now I cannot give you the names of the companies; I do not think that would be fair or appropriate, but we have looked at this matter and it comes to \$15 million. If we tax some of the fishing companies and others, which we decided we would not, we would just zero rate them this year, there would be more. But with these omitted, with the \$300,000 exemption, it is \$15 million. Now, that does not include the Government amounts, the Government Departments and the Crown Corporations who will pay the tax, and then the Government sort of pays the tax, that type of thing. This is the net amount, \$15 million.

MR. SPEAKER:

The hon. the Member for Humber East.

MS VERGE:

Mr. Speaker, the Minister of Finance has announced that he is going to charge the payroll tax to Provincial Government Departments and agencies. He also said he is going to compensate any of the agencies that are substantially dependent on the Province for their revenues. In answer to a question from the Member for St. Mary's - The Capes about school boards -

MR. SPEAKER:

Order, please!

I would remind the hon. Member that she is into a supplementary and she should proceed to get to the question very quickly.

The hon. the Member for Humber East.

MS VERGE:

Thank you, Mr. Speaker.

The Minister of Finance said

yesterday that he would bring in Special Warrants to compensate school boards. Mr. Speaker, will the Minister of Finance do the honourable and correct thing and amend his Budget, correct his expenditure projections and proceed with having the full House pass now an accurate Budget, a Budget which reflects true and fair estimates of Government expenditures?

MR. SPEAKER:

The hon. the Minister of Finance.

DR. KITCHEN:

Thank you, Mr. Speaker.

When we spoke about this earlier, we were thinking in terms of either Supplementary Supply or Special Warrants. The advice I had was that Special Warrants were an appropriate way. In discussion with officials recently, I thought is there a better way than Special Warrants to do it? and they are presently looking at the question of Supplementary Supply.

MR. HEWLETT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Green Bay.

MR. HEWLETT:

Thank you, Mr. Speaker.

On April 9 this year, three church-run residences at Memorial Campus, namely, Coughlin, St. John's and Queen's, were told in writing that their electrical bills would no longer be paid for by the Crown. I would guess this is more budgetary smoke and mirrors. In the case of my old alma mater, Coughlin College, this amounts to a slash of \$60,000 or more and could close the facility. My question to the

Minister is why was this not mentioned in his original Budget Speech?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

Thank you, Mr. Speaker.

The reason I am answering this question is because something came across my desk this morning related to that and caused me to do some research on it. It had to do with an internal memo which I believe was given to somebody. In the course of Budget preparation and in the course of the year, indeed, there are many, many things which are considered by officials within Departments, as Members opposite know, who were in Cabinet, and this was one of the things that was mentioned in a memo, I believe that went from the Department of Education to my Department.

That came to my attention this morning, and it is why I had cause to research this. The reason this was not mentioned in the Budget Speech is that it is not true.

AN HON. MEMBER:

Oh! Is that right?

MR. BAKER:

This was not done.

MR. SPEAKER:

The hon. the Member for Green Bay.

MR. HEWLETT:

Well, Mr. Speaker, the letter is signed by the Deputy Minister and indicates that Government will discontinue as of April 1, 1991 paying the money.

SOME HON. MEMBERS:

Hear, hear!

MR. HEWLETT:

I heard it on the radio this morning, Mr. Speaker. It reminds me, there was an article in the local paper in Green Bay the other day saying that Premier Wells is ruled by his head rather than his heart, and I would ask the Minister of Finance, is it his intention to take the heart out of university education?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

Mr. Speaker, with usual speed and efficiency and so on, all of a sudden a copy of that memo appeared on my desk while I was in the process of answering the first question.

MR. SIMMS:

This is not a memo, this is a letter.

MR. BAKER:

A letter, yes. The letter refers to April 1, 1991, which is a date that is in the next fiscal year and, therefore, would not affect this budget year. But I need to go a step further and say to the hon. Member that this was an item that was under discussion, under consideration, as many hundreds and thousands of other items are, and the decision has not been to go ahead with this.

MR. SPEAKER:

The hon. the Member for Green Bay.

MR. HEWLETT:

Mr. Speaker, I would make just one last point to the hon. Minister. It says, 'Government will discontinue...'. Does the Minister mean now that Government

will not discontinue?

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

Yes, Mr. Speaker. There are lots of discussions which go on on these items that obviously I cannot release to the House. There are many, many hundreds of items that we discuss and we make discussions on and decide not to do, and so on, in the ordinary course of events which affect things that happen two or three years down the road. The very simple answer, Mr. Speaker, is that that is not going to be proceeded with. It is very simple.

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

One quick supplementary, Mr. Speaker. I will table the letter anyway, so everybody will have a good look at it. This is a letter that was written by a senior official in the Department of Education, the Deputy Minister, on April 9, instructing the college that Treasury Board, in consultation with the Department of Works, Services and Transportation, effective April 1, 1991 will discontinue - will discontinue. So the clear question is, is the Minister now saying that Treasury Board and the Department of Public Works have backed off on this decision that was announced by the senior Deputy Minister of Education? That is the question, simply.

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. BAKER:

Mr. Speaker, I will give the same answer. The decision to do that has not been made. It was part of a discussion. As I say, we discussed many, many items of a budgetary nature. The fact of the matter is, a decision of this kind has other implications -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. BAKER:

Decisions of this nature have other funding implications and if we do one thing, then we have to do something else. So the correct answer at this point, Mr. Speaker, is that the decision to do this has not been made. If it is in existence at all, it is simply in the discussion stage at this point. The decision has not been made, that is correct.

MR. SIMMS:

So this was an incorrect decision and he should not have written (inaudible).

MR. MATTHEWS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

My question is to the Minister of Fisheries. I would like to ask the Minister, in light of the fisheries crisis in the Province and the statements coming from both the Minister of Fisheries and the Premier over the last several

months pertaining to economic diversification, my understanding was that the economic diversification package was for the communities which are going to be very negatively affected where we see fish plants closing throughout the Province. Can the Minister inform the House if it has been the intention of the Provincial Government to find alternative industries in those towns where fish plants have already closed or will be closing?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, of course that is the aim of Government, to find some way to soften the blow, I suppose, of the economic and social impact of the plant closures. I can assure the Member now, Mr. Speaker, and through him the people he represents, that every effort will be made by the Government to find some way to hopefully diversify the economy in those towns. And that is not to say that we are excluding the possibility of diversification in the fishery sector, for example. It might well be that in the town of Grand Bank there is opportunity such as this for secondary processing, underutilized fish processing, and a number of other things. But these are the sort of things we are looking at, working in conjunction with the Economic Recovery Team and, of course, the Department of Development and the Federal Government.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Mr. Speaker, a supplementary to the Minister. Can the Minister, then, inform the House what

industry or industries his Government has attracted or found to be established in the town of Grand Bank to replace the closing fish plant?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, hardly a day passes when we do not address the question and the problems caused by the reduction in fish quotas and the social and economic impact it is having on places like Grand Bank. I understand there have been several meetings, the nature of which I cannot reveal now, but several meetings with various people at which time interest has been expressed in doing certain things in some of these towns, and hopefully, before too long, we will see some results. But, Mr. Speaker, it is not the sort of thing you can do overnight. You just cannot snap your fingers and come up with an industry to replace a fish plant that employed 400 or 500 people.

I can only assure the House, Mr. Speaker, and the Member, that every effort is being made and will continue to be made to help the people affected in those towns.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Mr. Speaker, this Government has been very much aware and very much involved in this crisis since the middle of last summer, as the Premier has said time and time again, both in this House and publicly. May I ask the Minister what proposals have you made to the Federal Government to address the fallout on behalf of the approximately 400 employees and,

indeed, the whole community of Grand Bank? What proposals have you made to the Federal Government on behalf of the people of Grand Bank to find an alternative industry for that town?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, we have made several proposals. In fact, we presented to the Minister, during his most recent visit to the Province, the Province's position on economic diversification. And I should maybe inform the Member that it might well be, and it might serve a purpose, if he were to communicate his concerns to the Federal Minister in Ottawa. I understand he is coming in tomorrow, as a matter of fact, to have a press conference. He might contact him while he is here and impress upon him the need to do something, to make some announcement that will have a worthwhile effect on the area he represents.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

The situation is, Mr. Speaker, we have heard over the last several months about all the work this Provincial Government has put into addressing this Fisheries crisis. And that is why I am asking those questions today, to try to get some answers as to progress, to see what the people in those communities can expect. Because my understanding and their understanding is that the Provincial Government was seriously interested in finding other sources of employment for

those fish plant workers who will be displaced.

AN HON. MEMBER:

Or the communities.

MR. MATTHEWS:

Yes, or the communities. Because without the industry, the fish plant, there is no community.

Could the Minister inform the House if his Government has found an alternative industry for the town of Gaultois?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, the hon. Member's assumption is correct, and he can be assured that we are doing everything we can to find industry for the towns affected. Maybe while his friend, the Federal Minister of Fisheries and Oceans, is here tomorrow, he might want to have a chat with him. But certainly with respect to the town of Gaultois, Mr. Speaker, the same answer, I suppose, everything that can be done will be done to find alternate sources of employment for people in Gaultois, Grand Bank, Trepassey, St. John's, and any other town which is affected by a plant closure.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

Let me ask the Minister about two situations. Will he be participating in the press conference with the Federal Minister tomorrow, if there is such a conference, as he has indicated to the House? And has he or his Government supported the

request by the town of Gaultois for 10,000 metric tons of red fish to keep that fish plant operating and that town alive?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, I am not sure that we have been asked to support that request. But I can tell you now that if and when we are asked, we will support it.

AN HON. MEMBER:

(Inaudible).

MR. W. CARTER:

Now, I am answering the question, Mr. Speaker. If and when we are requested to support it, we will gladly support that request. Because it might well be that therein lies the answer to the problems that are looming up in Gaultois, because we will certainly support any such request.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

A further question to the Minister. Let me just say to the Minister, we on this side wrote a letter of support to the Federal Minister for 10,000 metric tons of red fish for Gaultois months ago. And the people of Gaultois were led to believe, let me tell the Minister, that the Premier was going to write a letter of support as well. Now, only the Premier can answer whether he has done that or not. I do not know.

Let me ask the Minister this question, Mr. Speaker. A few weeks ago, approximately a month ago, the Member for Port au Port

and, as well, the Development Association and other representatives from Piccadilly, asked the Minister of Fisheries to look about the Province and see if there was some surplus equipment around to make available to the Piccadilly fish plant, because the first weakness there was a lack of equipment, it had disappeared, I think, with the previous operator. Has the Minister been successful in finding equipment for the Piccadilly operation?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, getting back to the first part of the hon. Member's question I say bully for him. You have made representation for 10,000 tons of red fish. Let me tell you what we have done. We have provided a total of \$14 million for the plants that are affected by the reduction in quotas to soften the blow, and not one cent, by the way, came from Ottawa. Not one copper.

Mr. Speaker, getting back to the second part of his question, I will get a report from my officials to see what success, if any, they have had, and report back to the House, hopefully tomorrow.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

Let me ask the Minister, then, after two months of asking, will he today inform the Members of this House, and consequently the people of the Province, particularly in the communities affected by the fallout of the

pending closures there, what conditions were attached to the \$9 million or \$10 million of funding to Fishery Products International? Can he today, after two months of questioning, tell us what conditions were attached to the funding to Fishery Products International by the Province?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, as I promised the Member two weeks ago, I guess, not two months ago, a month maybe, as soon as we are ready, we will table a copy of that document. We are not ready yet, but as soon as we are, we will table it.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

A further question to the Minister of Fisheries. I would have thought that after two months the Minister and the Cabinet would have at least had time to make up some conditions to table in the House, because it is obvious there are no conditions attached to the funding. A few minutes ago, the Minister referred to the money the Provincial Government is putting forward for the extended notice period. Can the Minister inform the House and the people of the Province how much money the Province has advanced to Fishery Products International to date, and how much it expects to advance to Fishery Products International in this fiscal year?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, provision is made in this year's Estimates for a total of \$9 million. At the present time, I cannot say, Mr. Speaker, but there will be \$9 million spent this year to cover that cost.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Mr. Speaker.

MR. RIDEOUT:

Thank you, Mr. Speaker.

The Premier told this House on a number of occasions over the last several months that his Government, this Government, have made definitive proposals to the Government of Canada for a fisheries aid package to offset the present fisheries crisis and to diversify the Newfoundland and Labrador economy. Mr. Speaker, can the Premier tell the House exactly when those proposals were submitted to the Government of Canada, who made the proposals on behalf of the Province, and to whom, in the Federal Government, the proposals were made?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Not precisely, but approximately. Well, maybe a bit precisely. The first time we put forward an outline of general principles as to what should be done was August 23, 1989 at a meeting attended by the Right Hon. Joe Clark, as the Chairman of the Federal Cabinet Committee, and attended also by the Hon. John Crosbie and a number of Fisheries officials. The general principles were put forward at that stage. Then,

during the course of the fall, we tried to persuade the Federal Government to meet with us and work with the Committee we had put in place. They were reluctant, because they did not agree that the problem was going to be as big as we had been suggesting it might likely be, depending upon the Harris recommendations. They finally came to their senses in early December and then decided, in a rush, that it was time to start to meet with us. But by then it was a bit late, because National Sea had already announced the closure of one plant and, by January, when they really had not done any work on it, FPI was announcing the closure of three other plants. So there were a great number of -

MR. SIMMS:
(Inaudible).

PREMIER WELLS:
If the member for Grand Falls would stay quite, I will answer the question posed by the Leader of the Opposition. If he thinks his Leader did not pose it properly, then he should instruct him before he asks it, instead of during the course of my answer.

Mr. Speaker, in January, when FPI announced the closure of the other fish plants, because of the failure of the Federal Government to respond to our proposals and our urgings, we had to provide funds to extend the notice period. We did, because of the failure of the Federal Government. By then, they had come to their senses and they were prepared to listen to our proposals, and for the next month and a half we had some good meetings. I even had one or two good meetings with Mr. Crosbie about it and it looked pretty good

for awhile; some specific proposals were put forward.

The Chairman of the Economic Recovery Commission, Dr. House, other representatives working on the team, put forward proposals directly to the Stein task force. Before the end of February we had put forward a draft memorandum of understanding outlining the principles and proposals, they had come back with an alternative, a response to it. Then, all of a sudden, they seemed to stop, and it was around about the time the new Minister was appointed. I do not know if it had anything to do with him or not. But we did not stop. We kept going, Mr. Speaker, and I believe -

AN HON. MEMBER:
Are you going on forever?

MR. SPEAKER:
Order, please!

PREMIER WELLS:
They asked for specific details, with whom and when, and I am providing it.

AN HON. MEMBER:
You are wasting the time of the House.

PREMIER WELLS:
I have given some specific details, now I am about to give the other. Mr. Speaker, when the Federal Government refused or failed to continue, we pursued it ourselves and I do not know if it was late March - we had it ready by late March, or it might have been about the second or third of April, I have forgotten, we put forward a detailed, written proposal spelling out what we recommended. No doubt their friends in Ottawa have given them copies of it, so they probably

have it by now; they have been working cheek by jowl with them on trying to thwart the Newfoundland people for the last month or two. We put forward detailed proposals. I think it was either the last week of March or the first week of April. Mr. Speaker, that was a substantial and detailed proposal outlining a variety of things that could be done, and recommendations, and that was delivered personally by the Minister of Fisheries to the hon. Mr. Valcourt, the Federal Minister of Fisheries.

MR. SIMMS:

What an abuse of parliamentary privilege.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Mr. Speaker, the Premier will recall that when he announced the \$12 million or \$14 million dollar aid package back several weeks ago, he said at that time he was doing that because neither level of Government was ready to proceed with an aid package. Now, Mr. Speaker, out of all the gobbledygook the Premier just got on with, let me ask the Premier will he confirm that the only set of definitive proposals from this Province to the Federal Government was made not by the Minister of Fisheries, not by the Premier, but by letter, dated March 22nd past, about a month ago, by Dr. House, to the new Minister of Fisheries and Oceans? Is that not the only set of definitive proposals from this Province to the Government of Canada?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

No, Mr. Speaker. It is totally, completely dead wrong.

MR. RIDEOUT:

(Inaudible) the others then?

PREMIER WELLS:

I just gave him the detail. Would you get a copy of it and get the date on the front page of it. I will find the front page. There was probably a covering letter from the Minister, so I could probably table that covering letter, Mr. Speaker. This letter, Mr. Speaker, was discussed with me, as a matter of fact, with Dr. House, some time around about mid-March, and at that time, I will be quite frank, we were talking about sending it directly to the Prime Minister to try and get some direct response, to get the Prime Minister interested in the people of this Province, to show him that we are as good Canadians as anybody else who lives in this country. We talked about that, and then I decided that I would recommend -

MR. RIDEOUT:

One month ago you sent up a proposal (inaudible). One month ago.

MR. SPEAKER:

Order, please! Order, please!

PREMIER WELLS:

I will go back again, Mr. Speaker, and cover what I have done before if they want to ignore it, or they have forgotten, or they were talking and were not listening. I will go back and cover all the discussions we had in detail, and I will produce the letters and so on if they want to, but this letter, when we originally discussed it we thought about drawing it to the attention of the

Prime Minister. But for a year I have been pleading with the Prime Minister to get personally involved in trying to deal with the foreign overfishing problem and he so failed, and he kept sending it to his Minister of Fisheries, that I said to Dr. House, the best thing to do is to send it directly to the new Minister of Fisheries. So this was sent by Dr. House to the new Minister of Fisheries on March 22nd.

Now, it was probably a week or so later that the full detailed assessment, I do not know it was probably a 100 page document if I recall correctly, or something of that magnitude, spelling out the level of concern, how the individual communities were affected and spelling out in detail the kind of proposals - we even estimated the dollar amounts that should be spent. I have forgotten, but it was something over \$1 billion over a ten year period we had recommended, and we proposed that the Province participate on a cost-shared basis in that proposal. We broke it down as to how much of it should be used to improve the viability of the fishing industry, how much of it should be used for education and training, how it should be used for economic diversification, and the kinds and detail of industries and promotions. All of that was done in substantial detail and we are still waiting for a final response from the Federal Government on it. It is their friends in Ottawa they should be pressuring, Mr. Speaker.

SOME HON. MEMBERS:

Oh, oh!

PREMIER WELLS:

They do not like truth. The truth

really makes them sore. They are very uncomfortable, and they should be.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

The Premier, Mr. Speaker, is the master of deception. One month ago, Mr. Speaker -

MR. SIMMS:

Right on. Right on. That is exactly what he is.

PREMIER WELLS:

On a point of order, Mr. Speaker.

MR. SIMMS:

Oh, he does not like that.

MR. RIDEOUT:

He does not like that. That is the truth.

MR. SIMMS:

Too bad!

PREMIER WELLS:

That is not only untrue, it is personally offensive. I have not and never will deceive this House and I resent being called a master of deception by any Member of this House and I ask the hon. Member to withdraw.

SOME HON. MEMBERS:

Withdraw! Withdraw!

MR. SIMMS:

Well, that is just too bad!

MR. RIDEOUT:

To that point of order, Mr.

Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. SIMMS:

It is parliamentary. It is right in the book.

MR. RIDEOUT:

Mr. Speaker, it is parliamentary. I do not care one iota what the Premier likes or what he does not like.

MR. SIMMS:

Right on!

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

Who cares!

MR. RIDEOUT:

Who cares what the Premier likes, Mr. Speaker?

MR. SPEAKER:

Order, please!

For any Member to -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

It is very difficult for a Member to state what is parliamentary. The Chair has ruled on many occasions that there is no such thing as a list of parliamentary and unparliamentary, that many times it is the context in which it is made and the tone in which it is said. In this particular case, the Leader of the Opposition was rather vehement in the way he made the statement and I would rule that uttered in that tone

'master of deception' is unparliamentary. I would ask the Leader of the Opposition to withdraw it.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Well, Mr. Speaker, I concur with your ruling and withdraw the remark, if that is the case.

MR. SPEAKER:

Question Period has expired.

MR. RIDEOUT:

We will get back to it tomorrow, Mr. Speaker.

MR. SPEAKER:

Order, please!

Notices of Motion

MR. DECKER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Health.

MR. DECKER:

Mr. Speaker.

MR. SPEAKER:

Order, please!

I would ask the Minister of Health to take his place. The House cannot proceed in as disorderly a fashion as this. I cannot hear the Minister of Health and no one else can hear him.

The hon. the Minister of Health.

MR. DECKER:

Thank you, Mr. Speaker.

I wish to table the Annual Report

of the Newfoundland Medical Care Commission for the year ending March 31, 1989.

Petitions

MR. RAMSAY:
Mr. Speaker.

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

MR. RAMSAY:
Mr. Speaker, I have a petition here which does not conform to the normal manner in which petitions are written, so by leave of the House I will ask your permission to continue with the petition.

MR. SPEAKER:
Agreed.

The hon. the Member for LaPoile has agreement.

MR. RAMSAY:
Mr. Speaker, the petition is from the residents of Margaree and Fox Roost in my District - a couple of communities who share services about ten kilometers down route 470 from Port aux Basques. The road leading to the community is the road in question. It was a road constructed back, I believe, in about 1970 - 1971. Since that time has received marginal amounts of repairs and adjustments and improvements in shoulder conditions and what have you. But it is a very treacherous road and I guess by virtue of its original design, not necessarily with any reason, anything to do with its current level of repair.

I will read the prayer of the petition which is signed by 208 people of the community. The petition is to the Hon. Dave

Gilbert, Minister of Works, Services and Transportation from residents of Margaree and Fox Roost. Re: the condition of the road leading to Margaree and Fox Roost. 'As the condition of our road is deplorable, if some improvements are not made by September of 1990 we will seriously consider keeping our children out of school as they have to be bussed over this road.'

Knowing the people in the area, Mr. Speaker, the condition has caused some problems with snow clearing in the wintertime. It is a very twisting winding road with high banks. If a car were to leave the road it would progress down over a sharp embankment with some very heavy rocks and, of course, it is a dangerous situation. Upon receiving the petition, and also with some general concerns expressed to me by the Local Service District Community in Margaree - Fox Roost, under the able Chairmanship of Mr. Earnest Meade, I discussed the conditions of the road with some officials of the Department in the Deer Lake Depot.

Now, subsequently they have agreed to accompany me to the area and do a thorough examination of the road, and I feel this is a step in the right direction. Not to elongate the process of presenting the petition, but I feel it is something that I hope our Government can support; within the very near future a refurbishing of the road and hopefully bringing it up to a good standard whereby the speed might be able to be raised on the road with the realignment of the curves as well as installation of further guardrails and also improvement of the shoulder conditions on the road. Subsequent to that, hopefully, we

can go for a thorough repaving of the road and allay the fears of the residents of these communities that their children will be safe in travelling over the road by bus this coming winter.

With that, Mr. Speaker, I will defer to a Member of the Opposition who would be pleased to comment on the prayer of the petition.

Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Kilbride.

MR. R. AYLWARD:

Thank you very much, Mr. Speaker.

I would just like to have a few words of support to the hon. the Member for LaPoile on his petition. I do not believe it is the first time I have heard that stretch of road being mentioned in this House of Assembly. I believe while we were in Government there were people from that area of the Province who wanted the road upgraded. From what the hon. Member described, shoulders of the road upgraded, guardrails installed, and such other items, Mr. Speaker, it sounds to me like the main problem on that road is a maintenance problem, and the Department of Transportation should keep up its maintenance program. If it has cut its capital program by \$20 million a year from what we had, I can understand they cannot do all the roads, Mr. Speaker, but they obviously are neglecting the maintenance of roads also, especially in this area where it is a matter of installing some guardrails and helping out on the shoulders of the road.

I can understand large

expenditures like upgrading and paving might be a problem for the Department because they have cut their capital program some \$20 million a year from what we had. I think we had \$50 million the last year we were in power and it is some \$30 million that the Department of Works, Services and Transportation is using this year. There is not going to be very much improvements in the roads in this Province, Mr. Speaker. The money that we have put in place that the Department will not spend and which might alleviate some of the Department's other pressures, monies that the Federal Government have allocated for roads like the Outer Ring Road, they will not spend, Mr. Speaker. They will not spent maintenance money on roads in the District of LaPoile and in many other Districts, which they should be doing. They will not increase the Capital Works Program adequately enough to do improvements on the roads where work is needed in this Province.

Mr. Speaker, I support, even though it is in a Liberal District, I know there is a need for road improvements in the area of LaPoile that was mentioned, Mr. Speaker.

I would not even complain if the hon. Minister of Transportation continued his political patronage in road expenditures and did that road upgrading because it is well deserved, Mr. Speaker. Knowing that the Minister is very much politically oriented and knowing that he spends his road money very politically, Mr. Speaker, one of the worst I would guess in this Government. I would not argue if he did find some money to improve the road in that area of LaPoile so that they could have their

regular maintenance, which should be done anyway as a matter of course, Mr. Speaker. A few guard rails and a bit of shoulder upgrading just to protect the lives and safety of school children passing by on the busses is not a big lot to ask for.

MR. SPEAKER:

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

MR. GILBERT:

Thank you, Mr. Speaker. It is amusing to listen to the Opposition when they respond to petitions presented by Members on this side of the House, but I would like to thank the Member for LaPoile, and I share the concerns of the people of Margery and Fox Roost concerning their roads. And it is a sin that it was left for seventeen years of inactivity by the Members Opposite when they were in Government. It bears the point that I have tried to make every year in the two years of announcing the road maintenance program for the Province. And what it boils down to is a situation that the decision is made by the experts in my Department as to where is the greatest priority, and this is where the money is spent.

Now I have received a letter from the people of Margaree and Fox Roost and as the Member for LaPoile says, officials from the Department in Deer Lake will look, and if there are any dangerous parts there that have not been addressed we will certainly look at them. But the point is that we have the worst highway system in the country in this Province. And the Members Opposite were in Government for seventeen years and let this thing deteriorate to the point they had to sell a railway

to try and take the money over the next thirteen years to still not bring our highway up to anywhere near the national standard. And then when we get into the trunk roads and the local roads, Mr. Speaker, they are still left behind, due to the inaction and inactivity of the previous Government.

But in conclusion, Mr. Speaker, we are going to look at if there is any immediately life threatening areas of that road they will be looked at as they will in any other place in the Province.

Orders of the Day

AN HON. MEMBER:

Motion one, Mr. Speaker.

MR. SPEAKER:

Motion one, the budget. The hon. the Minister of Health adjourned the debate last day.

The hon. the Minister of Health.

MR. DECKER:

Thank you, Mr. Speaker. I would like for a few minutes to address the people's budget. The first people's budget we have seen in the past seventeen or eighteen years.

I want to, just for a few minutes, take hon. Members back in time to April 21, 1989. April 21, the day after the night before. Mr. Speaker, I was in my District on the great northern peninsula and that morning the sky broke apart and the sun came out shining. There was laughter in the streets, people were jumping for joy all throughout Newfoundland and Labrador. A transformation had taken place, the Tories were

turfed out and a new age had been ushered in, a new age of Liberalism, Mr. Speaker, on April 21, 1989. Shortly after the new Cabinet was sworn in and we brought forth our first budget.

Now, Mr. Speaker, I have to admit that we could not really call that first budget a true Liberal Budget. There were things left over from the previous seventeen years of mismanagement and political patronage and looking after your friends. Here a wink, wink and a nod, nod and all this old foolishness that has been going on. So it took us a little while before we could get total control of Government. So I have to confess that the first Budget, although there were a lot of things in it which were prompted by Liberal philosophy, it was not truly a Liberal Budget as is this Budget which the hon. the Minister of Finance so ably presented to this House just a short time ago.

The mere presentation of this Budget, Mr. Speaker, has so much going for it, it is unbelievable.

SOME HON. MEMBERS:
Hear, hear!

MR. DECKER:
Maybe hon. Members will remember the last Tory Budget. The last Tory Budget had a picture of the Sprung Greenhouse - the Sprung Greenhouse - and the symbolism -

AN HON. MEMBER:
A Tory cuke.

MR. DECKER:
It was a Tory cuke - the symbolism. There is an old saying that a picture is better than a thousand words, Mr. Speaker, and indeed this picture was more than a thousand words. Because the

Tories looked out over this Province with 20-odd percent unemployment. They looked out over a troubled fishery. They looked out to Newfoundlanders in truck loads leaving the Province and going to other parts of the world for a living. They looked after an economy which they had brought to a standstill. They looked to a Province that was brought to her knees, Mr. Speaker. And they put forward their solution - eight pods with something in the centre. This greenhouse was their answer to all the seventeen years of mismanagement and therein lay the future.

Mr. Speaker, do you know one of the first things the new Administration had to do when we took power? We had to pay off, we had to take money that we would have liked to have taken and put into education, \$25 million belonging to the people who go down off Cape St. Mary's and catch a bit of fish, belonging to the sealers who in the spring of the year go out and try to catch a few seals. Money that belongs to loggers who go in in the summer and sweat with flies around them and try to earn a few dollars, we had to take \$25 million from hard working Newfoundlanders to pay off this silly convoluted idea of Sprung which the previous Administration put forward in their last Budget as the answer, the cutting edge of technology, the stepping stone into the twenty-first century, this was going to be the solution to it all.

SOME HON. MEMBERS:
Oh, oh!

MR. DECKER:
I remember the former Premier when he got up and he said, ladies and

gentlemen, the technology in Sprung is ahead of the technology in Disney World.

AN HON. MEMBER:
(Inaudible).

MR. DECKER:
Of course, Mr. Speaker, that is not true, the technology was by no means equivalent.

But anyway, Mr. Speaker, the picture on the last Tory document was a picture of Sprung. Now I would challenge hon. Members to look at the present picture on the present Budget.

SOME HON. MEMBERS:
Hear, hear!

MR. DECKER:
We have a picture of the hon. the Minister of Finance himself, a picture in colour -

AN HON. MEMBER:
Living colour.

MR. DECKER:
- maybe, Mr. Speaker, handsome, I was going to say a beautiful picture, but maybe the connotation may not be right. But if I were to go throughout Newfoundland and Labrador, Mr. Speaker, and I wanted to get someone to get up and laugh and mock I would show the picture of Sprung. But if I wanted to get reverence and confidence and a good feeling I will show up the picture of the hon. the Minister of Finance who was in this present Budget, Mr. Speaker. Because a picture, as I said earlier, is worth a thousand words.

Mr. Speaker, I have been very pleased to be involved in this Budget this year.

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please! Order, please!

I just want to remind hon. Members of the appropriate method of interruptions when an hon. Member is giving a speech. The appropriate method is not for everybody to be calling out. The appropriate method in the House is for an hon. Member to rise and ask if a question is permitted; other than that, there should be no interruptions, which can be quite disruptive, as a matter of fact, and interfere with the proceedings of the House.

The hon. the Minister of Health.

MR. DECKER:
Thank you, Mr. Speaker.

I find those distractions are, indeed, interfering with my train of thought and making it difficult for me. Not having the ability to think on my feet, I find it extremely difficult to get into my speech.

Now, Mr. Speaker, I was involved in the formation of this Budget. I am privileged to be able to serve my constituents and the people of this Province by serving on Treasury Board. I was involved as this Budget was finding its way through and, of course, I was involved as my own Department put forward its plans for the future.

One of the biggest hindrances that we were up against was the devastating blow rendered upon the Province of Newfoundland and Labrador, upon the people of Newfoundland and Labrador, by the political soulmates, the political cousins, the political friends of

Members opposite, by the Tory Government in Ottawa, Mr. Speaker. They have, this year, taken away from the people of this Province, by transfer payments, about \$25 million. \$25 million has been taken away from Newfoundlanders and Labradorians by one stroke of the pen, by the political soulmates, the political cousins, the kissing cousins, the brothers and sisters of Members opposite.

So if we are going to follow logic to its proper conclusion, we have to say to Members opposite, the hon. the Member for St. John's East Extern, a personal friend of mine, was not truly concerned about Newfoundlanders and Labradorians, because he allowed his friends to take away from Newfoundlanders and Labradorians approximately \$25 million, Mr. Speaker.

MR. PARSONS:

Mr. Speaker, may I ask a question of the Minister?

MR. DECKER:

Yes, Mr. Speaker.

MR. SPEAKER:

The hon. the Minister permits a question from the hon. the Member for St. John's East Extern.

MR. PARSONS:

Thank you, Mr. Speaker.

I do not think the Minister is misleading the House, intentionally anyway, but he is talking about a deficit of \$25 million that would be coming from the Federal coffers. I want to remind the Minister that, overall, we received an increase in funding this year from the Federal Government. I think the Minister should acknowledge that.

Thank you, Mr. Speaker.

MR. DECKER:

I thank the hon. Member for his question.

Now, to follow the logic my friend is using, that is the same as the guy who, in 1985 was getting a salary of \$10,000; in the year 1990, he is getting \$10,001. Now, if you were to follow the logic of the hon. the Member for St. John's East Extern, he is saying, 'That is good, he is getting more money.' But, what happened to inflation since 1985? What happened to the cost of living since 1985? What is the value of a dollar since 1985, Mr. Speaker? And that is the silly logic of the Member.

I heard the hon. the Member for St. John's East (Ms Duff) come up with a similar line of logic when she was suggesting that the Government should invest all its Budget into bringing in refugees. I remember the Minister of Finance picked that up, about this new method of economics that the hon. the Minister for St. John's East came up with the other day, when she said, 'Let us take all the Budget, the \$3 billion or \$4 billion and spend it on refugees, and that will create employment and new money,' - I do not know where the new money is going to come from - and it will solve all our problems.' That is the logic, Mr. Speaker, the alternate government is saying that. Can you imagine the mess they would have this Province in in the next few years if ever, by some streak of co-incidence or bad luck or misfortune if they were to become the government of this Province. Their plan for the economy is for the Government to bring in refugees and pay the costs, and

then we were going to make work. I have never heard such stupid, silly nonsense since I came into the world.

Mr. Speaker, as I said, I was involved in the formation of this Budget. With the Federal Budget the transfer payments gave us a tremendous blow. Another tremendous blow which we have to prepare for is the impact of the Goods and Services Tax on our people. That other threat which the friends of the Member for St. John's East Extern is about to perpetrate upon this Province because before this fiscal year is over, before the end of March 1991, we will have had three months where the people who fish off Cape St. Mary's and the people who go into the lumber woods to earn their living, or the people who go down into the mines to feed their family, they are going to have this additional tax placed upon them by the hon. Member for St. John's East Extern, and by the hon. Member for St. John's East, and by all the hon. Members over there, because it is their soul mates and their friends and their kissing political cousins who are going to put this extra burden upon the people of Newfoundland and Labrador.

Now, Mr. Speaker, I have to admit that the Federal Government has a problem with the deficit. Hon. Members on this side of the House have recognized that and we are quite prepared to admit that they do have to get that deficit under control. If they do not get that deficit under control, all of us are going to have a problem. But I would submit to them that when they try to find means to deal with that deficit they not unload it on the backs of the poor people of Newfoundland and Labrador or

the poor people of Canada or the poor people wherever they are in this great land. But they would take a page out of our book, they would take a chapter from the hon. Minister of Finance for this Province.

The hon. Minister of Finance could have increased the sales tax. He could have increased the retail sales tax one point, \$40-odd million he could have taken out of the pockets of Newfoundlanders and Labradorians. The hon. Minister of Finance could have broadened the base for sales taxes. He could have put taxes on food. There are many things that the hon. Minister of Finance could have done to have hit the common person, to have hit the ordinary man and women in this Province. He could have cut the widow's allowance. He could have closed up hospital beds. He could have closed up school houses. He could have fired some social workers. He could have decided not to build some roads.

There are a whole lot of things he could have done and all of them, Mr. Speaker, would have hurt the ordinary Newfoundlander and Labradorian. Had the Minister of Finance been like the present Administration in Ottawa, the Tory Administration in Ottawa, as the alternate Government in this Province is, a Tory alternate Government, and let us hope that they always remain an alternate Government. I would not like to see them supplanted by the NDP. I would rather have an alternate Tory Government over there. I believe they are probably a little bit more reasonable to get along with than the NDP. I am not even conceding the possibility of them being the Government any more after what they did with this

Province. The hon. the Minister of Finance could have unloaded his problems on the ordinary people, that is what the Federal Tories would have done, that is what the Tories opposite would have done.

SOME HON. MEMBERS:
(Inaudible).

MR. DECKER:
That is it exactly. So what did he do? The Minister of Finance put a payroll tax on companies whose payroll is more than \$300,000. That is what he did, Mr. Speaker.

AN HON. MEMBER:
Thirteen is a quorum.

MR. DECKER:
Was there a quorum, Mr. Speaker?

MR. SPEAKER:
I am checking the numbers.

MR. SPEAKER:
There is a quorum.

MR. DECKER:
Mr. Speaker, I am sure this is setting a very, very dangerous precedent. A very dangerous precedent, when hon. Members try to play silly games. This House is a very serious institution. We are representing in this establishment the people of the Province. What do hon. Members do? Probably one of the profoundest speeches that was ever made in this House is now being made.

SOME HON. MEMBERS:
Hear, hear!

MR. DECKER:
Members get up and not only do they show their inability to count, they show that they have a total disregard for this House and

tell Your Honour that there is not a quorum present.

Mr. Speaker, I think it is utterly disgraceful because there is indeed a quorum present. That is quite obvious. I think that the hon. Members should be asked to apologize, Mr. Speaker. I think they should even be named if that is the kind of games they are going to keep on playing.

MR. SPEAKER:
There are fourteen Members in the House.

MR. DECKER:
Mr. Speaker, this is disgraceful. I think those hon. Members should be named and I think once they are named I would be quite prepared to put a motion to ban them for all eternity because they should not be allowed to be in this establishment.

MR. R. AYLWARD:
A point of order, Mr. Speaker.

Mr. Speaker, it is quite legitimate to try to help out any hon. Member on that side of the House who is responsible for keeping a quorum in the House. All we were doing is trying to help the hon. Member out, and trying to keep his own people in their seats so they will hear the great speech he is making.

MR. SPEAKER (Barrett):
There is no point of order.

His Honour counted the number of Members in the House. There were fourteen Members in the House and fourteen Members is a quorum.

MR. DECKER:
Mr. Speaker, what we are seeing here today is an attempt, a blatant attempt by Members

opposite to prevent me from speaking in this Budget debate because they know I am striking a nerve. I am getting close to the bone, Mr. Speaker, and they are so devastated and they are so ashamed of themselves that they can barely keep a couple of their own Members in this House because they are so ashamed of their record over the past seventeen or eighteen years. They know now, because we have introduced live radio to this House, that this speech is going out to all the world. They know that and they are so ashamed that those words I am saying are going out, so ashamed of their past conduct over the last seventeen years, that they do not want anyone to hear it, and they are trying every means at their disposal, by their silly tricks, calling points of order -

MR. TOBIN:

A point of order, Mr. Speaker.

MR. DECKER:

There they go again, Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Burin - Placentia West.

MR. TOBIN:

Mr. Speaker, let us get one thing straight, it is the Government that has the responsibility to keep the quorum in this House and not the Opposition. When the quorum was called the first time there were twelve Members here. I do not know how many were here when the Speaker was counting. The Speaker said there was fourteen so there were fourteen. The second time the quorum was called there were thirteen and the Speaker called and someone else came in. We cannot help that, but it is the responsibility of the Government to keep a quorum in

this House.

MR. SPEAKER:

There is no point of order. When it was counted I do not think the hon. Member was counting the hon. the Member for Fortune - Hermitage who was in the House.

The hon. the Minister of Health.

MR. DECKER:

Mr. Speaker, this is disgraceful. Hon. Members cannot question the Speaker's ruling. It is bad enough that they cannot count but now they are even questioning the Speaker's ruling.

MR. SPEAKER:

If the hon. the Member for Burin - Placentia West wants to make a speech in the House the hon. Minister of Health has some time left and he will have an opportunity to speak, but I will not continue on with this kind of interruption.

The hon. the Minister of Health.

MR. DECKER:

Thank you, Mr. Speaker.

It is fortunate that this institution has such a position as the one you are holding, Sir, otherwise I know I would be completely abused here today. I am fortunate that the traditional British Parliamentary System makes it available that I can be protected from such people over there.

Mr. Speaker, in the Budget highlights for 1990 I would like to call the attention of hon. Members to the second sentence on the first page of Budget highlights. It shows an achievement of a surplus on current account for the second

consecutive year. Now, Mr. Speaker, think what that must mean. When we took over this Administration the Government of Newfoundland and Labrador had, and still has, I should say, the lowest credit rating of any of the provinces in this great nation. That was another symbol of the devil-may-care attitude of the previous Administration. They were spending money like drunken soldiers, as if there were no tomorrow, they were just slapping money out all over the place with total disregard for where it was going to come from. This Administration, in our first Budget, we projected a certain surplus and in this new Budget, the hon. Minister of Finance, with his ability to manage the financial affairs of this Province is projecting another surplus, Mr. Speaker.

Now, think of the implication, every year, like businesses throughout the land, just like some individuals, companies do credit ratings on Provinces, on Governments, on Companies. Can you imagine when the credit people are doing their credit ratings on this Province, and look at Newfoundland and Labrador and see how reasonable, see how fiscally responsible the present Administration is, this will ensure, Mr. Speaker, it will ensure first and foremost that our credit rating will not slide any further, but it even offers a chance if we continue this trend, we could end up with even a better credit rating.

If we keep this responsible, reasonable, rational approach to administering the financial affairs of this Province, we can be assured, Mr. Speaker, we can be assured that people or nations

from around the world will be screaming for us to take the loan of some of their money. That is what is going to happen because of the reasonable, rational approach that the Minister of Finance is bringing to the financial management of this Province. The next line, Mr. Speaker, the word which pops out of the next line to me is the word 'streamlined, streamlined'. When was the last time Newfoundlanders and Labradorians heard about a Government who was talking about streamlining. It is a totally foreign word, I would suggest that Newfoundlanders and Labradorians when they heard the word streamline, when it was associated with Government, many of them had to go to the dictionary to see what the word streamline meant. It was so foreign to the way the previous Administration abused the money and the taxes of the people of Newfoundland and Labrador for seventeen years.

AN HON. MEMBER:
They bloated -

MR. DECKER:
They bloated - bloated is the word. The Minister of Finance has adopted measures to streamline Government's operation and the savings being redirected, now, Mr. Speaker, being redirected to higher priorities such as: Economic Development, Health and Education. Where did we hear these words before? The first time we heard them, Mr. Speaker, was at the turn of the century and I was present in St. Anthony a little while ago, when the Premier was making a speech to a group in St. Anthony. It was a group associated with the International Grenfell Association and the Premier made a statement that I had forgotten and I am sure many

of us have forgotten. He made a statement that when Sir Wilfred Grenfell came over here, ninety-eight years ago, he came to Northern Newfoundland and Labrador, he saw three areas that needed to be addressed. The first one was obvious, it was Health. The people of the Province, Mr. Speaker, were badly in need of health care, so he set up the hospitals on Northern Newfoundland and Labrador. The next problem he saw was Education. Dr. Grenfell started schools in Northern Newfoundland and Labrador and he saw the lack of Development, the lack of employment, so he started farms on the northern peninsular. He started a saw mill right in Roddickton where I grew up, Mr. Speaker.

The man put people to work and now, 100 years later a Government comes along and says to the people of Newfoundland and Labrador, we are going to focus on three areas: Development to pay the bills, Health to keep our people healthy, Education to teach them for various jobs and to give them education for whatever reason people are educated including, Mr. Speaker, for its own value. Now I only have five minutes left, and I am just getting warmed up. I was prepared to go on for an hour, Mr. Speaker.

AN HON. MEMBER:
By leave.

MR. DECKER:
Could I have leave? I just wanted to point out that the Minister of Education will address I am sure what is being done in education. The Minister of Economic Development will tell what is going on in his Department. But let me tell some of the things that are happening in the Health

Department because it reads like a Christmas tree list, Mr. Speaker. I am surprised the Minister of Finance did not have on a red suit when he read out what was happening in Health.

The Budget increased by \$74 million.

SOME HON. MEMBERS:
Hear, hear!

MR. DECKER:
Ten per cent over the rate of last year's Budget, Mr. Speaker. \$834 million, that is what this Province is spending despite the fact that the Tory friends of the Tory alternate Government attempted to gut the health care system of Newfoundland and Labrador. We are still spending \$834 million, Mr. Speaker.

Mr. Speaker, the Minister of Finance talked about the beds that were being closed in hospitals due to insufficient funding. The past number of years, every single summer you hear of hospital beds being closed throughout Newfoundland and Labrador. Why were they being closed, Mr. Speaker? They were being closed because there was a shortage of money by the previous Administration. They took the money and put it in Sprung. They took the money and put it in Tory Districts. They took the money and wasted it on their friends, wink, wink, pat on the back that is how they spent their money. But we are not doing that, Mr. Speaker. There will be no hospital beds closed for the lack of money this summer. And I have to point out to hon. Members that if there is a shortage of nurses I cannot help that, we are trying to correct it as fast as we can.

MR. TOBIN:
Go find them! Go find them!

MR. DECKER:
Go find them, the hon. Member says. In this year's Budget here, look, Mr. Speaker, we have made available money for an additional thirty-three nurses to go throughout the system.

SOME HON. MEMBERS:
Hear, hear!

MR. DECKER:
Now that is not counting the nurses we are going to have to take on because of the fifteen additional beds that we are going to open in the General Hospital. Fifteen beds that have never been opened since Adam and Eve were in the Garden of Eden or wherever they were, Mr. Speaker. The first time in the history of humanity those fifteen beds are going to be open twelve months around the clock in the General Hospital.

AN HON. MEMBER:
In the history of the globe.

MR. DECKER:
In the history of the globe, Mr. Speaker. That is what is going to happen this year.

AN HON. MEMBER:
What about their freeze?

MR. DECKER:
That is not counting them. Mr. Speaker, I wish I had time to get into their freeze.

For three years there was a total absolute freeze on health care services in this Province.

AN HON. MEMBER:
Shame!

MR. DECKER:

Not a nail was driven, not a window was fixed, not a door was hung, not a hospital bed was opened, not a person was hired, Mr. Speaker, it was brought to a total absolute complete standstill. That is the health care system that we inherited.

Now, Mr. Speaker, when there is a freeze placed on anything, be it hospitals, be it wages, be it whatsoever, when the freeze comes off then the strain even becomes harder, Mr. Speaker. We have lifted the freeze, but the strain is extremely difficult. We are trying to meet the strain.

Mr. Speaker, I want to refer to the word 'inertia'. If you notice a ship, if you notice those big oil tankers, they tell me: that when they are coming into port they have to slow down a half a day outside the port and it takes them half a day to finally stop. The economy of this Province, Mr. Speaker, was like one of those big oil tankers, it was on a downward trend, Mr. Speaker. It was going downhill, downhill, downhill -

MR. SPEAKER:
Order, please!

The hon. Member's time has elapsed.

MR. DECKER:
It is taking us a little bit of time, Mr. Speaker, to get this downward trend to stop but by goodness, Mr. Speaker, we are going to make it stop.

SOME HON. MEMBERS:
Hear, hear!

MR. TOBIN:
Mr. Speaker.

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

Placentia West.

SOME HON. MEMBERS:

Hear, hear!

MR. TOBIN:

Mr. Speaker, let me say to the Minister of Health that before he became the Minister of Health every hospital bed in Grand Bank was opened and every hospital bed in St. Lawrence was opened too.

SOME HON. MEMBERS:

Hear, hear!

MR. TOBIN:

And Burin, Mr. Speaker, was opened and built by this Administration, and Grand Bank remained opened and St. Lawrence remained opened, and the Blue Crest Senior Citizens Home remained opened. And this Minister, Mr. Speaker, when he got in there, what did he do, Mr. Speaker? He closed Grand Bank and he closed St. Lawrence, locked them up forever, Mr. Speaker. That is the contribution he made with the health care.

Now, Mr. Speaker, the Minister of Health says there will be hospital beds closed this year. I say shame on the Minister of Health, Mr. Speaker, to be announcing hospital bed closures this year. Why? Why are the hospital beds closed here, Mr. Speaker? Why? The Minister said because there is a shortage of nurses. Well let me say to the Minister that it is his responsibility as Minister of Health to recruit the nurses.

Now, Mr. Speaker, I am sure that if the Minister of Health wants to get a select committee from this House, people like myself and my colleague from Placentia or Carbonear, and send us to Europe, Mr. Speaker, and see if we could recruit nurses. Mr. Speaker, he

does not have to send any of us. He could pick the Member for St. John's South. It does not matter to us, Mr. Speaker. But the Minister of Health has a responsibility to ensure that there are nurses in the hospitals and he has a responsibility through some means to recruit the nurses. And it is not good enough for him to say that. The nurses in this Province in every hospital are overworked. Overworked, Mr. Speaker, like you would not believe, and a shortage in every hospital.

AN HON. MEMBER:

What increase did you give them?

MR. TOBIN:

Mr. Speaker, what increase did we give them? And not only that, we gave them a good brand new hospital -

AN HON. MEMBER:

(Inaudible).

MR. TOBIN:

Mr. Speaker, who built the Health Science Complex? Who built the Carbonear Hospital? Who built the Clarendville Hospital? Who built the Burin Peninsula Hospital? Who built the Port aux Basques Hospital, Mr. Speaker? Who was it? Who built the nursing home in Placentia, Mr. Speaker? Was it that Minister of Health? No! Mr. Speaker, all he has done since he got in is close beds.

Yet the Minister of Social Services says it is shocking. It is not as shocking as the Youth Diversification Program in Grand Falls being cancelled. That is what is shocking, Mr. Speaker. And the Minister of Social Services and his Department slashed the funding to a project worthwhile in Central

Newfoundland. That is what is shocking, Mr. Speaker.

The President of Treasury Board is over there shaking his head. I wonder would the President of the Executive Council tell us - some time he will have to in this House, it has not been done yet - but tell us why there is such an increase in the administration of the Executive Council this year.

AN HON. MEMBER:
(Inaudible).

MR. TOBIN:
Maybe he will have to tell us that and more besides when we get into your budget. Maybe someone will have to account as to why there is \$20,000 overtime allocated in Works, Services and Transportation for the (inaudible). \$20,000 in overtime, Mr. Speaker.

SOME HON. MEMBERS:
(Inaudible).

MR. TOBIN:
Just a second.

SOME HON. MEMBERS:
(Inaudible).

MR. TOBIN:
Mr. Speaker, in this document here - the Department's salary details - the Minister's office 1(1) consists of a Minister, a special assistant, a departmental secretary to the Minister, and a secretary to the Minister. Now that is what the Minister's salary is, Mr. Speaker. And flip over here, Mr. Speaker, what do you find? Overtime and other earnings for the Department, \$11,000 for the Minister's office. \$11,000 overtime. What is overtime and other earnings? A lot of long nights, there must be, Mr. Speaker. The Minister does not

get overtime I hope. And he has two other people on staff on \$11,000.

SOME HON. MEMBERS:
The secretary can not earn overtime.

MR. TOBIN:
Mr. Speaker, there was no overtime paid while we were there, and there was no 'other' there either in the budgets. And you can get the budgets too, Mr. Speaker. Probably the President of Treasury Board, probably the Minister of Social Services, Mr. Speaker, can tell us why there is overtime in his Department. Why, Mr. Speaker? Why is there overtime allocated? Can you believe it, Mr. Speaker? There are Departments here with \$10,000 - \$20,000 overtime for three people, Mr. Speaker.

MR. MURPHY:
(Inaudible) one.

MR. TOBIN:
The Member for St. John's South knows a lot about giving things away, Mr. Speaker!

MR. MURPHY:
Now!

MR. TOBIN:
I will not say it, but you had better hope I do not say it, either.

MR. MURPHY:
(Inaudible).

MR. TOBIN:
The Member for Placentia knows what I am talking about, because he told me, Mr. Speaker. I will not say what the Member for Placentia told me.

AN HON. MEMBER:

(Inaudible).

MR. TOBIN:

No, I am not getting into any of that. I think something has happened to the Member's mouth, he is making awfully strange faces over there. Mr. Speaker, I apologize, because when the Member's mouth was going, I always thought he was eating. I apologize to him.

Mr. Speaker, we have the worst, most deceptive Budget that was ever presented in this Assembly. The Department of Finance, for example, I just glanced through it, the Department of Finance budget, for the total Department, has gone from \$39 million to \$43.8 million, and I am wondering, as I glance through that, if it had anything to do with collectors for this payroll tax. The Minister of Finance, I am sure, will explain why there is such a significant increase in the total budget of his Department this year.

All I can say to the Minister of Finance is that there are more secrets to the payroll tax than there are herbs and spices in Kentucky Fried Chicken.

MR. SIMMS:

The President of Treasury Board will have to answer the questions for him, he does not know how.

MR. TOBIN:

No, the Minister of Finance tries hard to answer the questions. But, Mr. Speaker, I only have a half-hour to deal with this pressing issue, this deceitful document the Minister of Finance put before the House.

Mr. Speaker, in the budget this year in Transportation, they cut the budget by \$18 million from

what it was under the Tory Administration. I would like the Minister of Transportation, when dealing with this Budget -

AN HON. MEMBER:

(Inaudible).

MR. TOBIN:

I know that, but there are a few issues there I want to talk about.

The Minister of Transportation should tell this House, Mr. Speaker, if there have been any contracts that have come in underfunded on major trunk roads, from the Roads for Rail Agreement, and if so, how many have come in, Mr. Speaker.

AN HON. MEMBER:

Is his time up?

MR. SIMMS:

The Minister's time will soon be up. His days are numbered.

MR. TOBIN:

The Minister is like a cat, he has nine lives. He has been down twice already in one year.

Mr. Speaker, let me say to the Minister of Transportation that there was probably \$9 million that has come in under budget, and I wonder have they made a request to Ottawa to spend that \$9 million? And if so, what Districts have the \$9 million been applied for? That would be a very interesting question. It would make for a very interesting answer, how many Districts, Mr. Speaker.

MR. GILBERT:

I would say, a lot of the ones that suffered under Tory rule.

SOME HON. MEMBERS:

Oh, oh!

MR. TOBIN:

Oh! Now, Mr. Speaker! Now, we are hearing it, Mr. Speaker. Well, I can tell the Member one of the Districts that did not suffer under Tory rule -

AN HON. MEMBER:

His.

MR. TOBIN:

Yes, and the District that the Premier now represents - when we were talking about the allocation of funding.

MR. SIMMS:

Right on! Now we hear the real truth of it, revenge.

MR. TOBIN:

Revenge.

AN HON. MEMBER:

(Inaudible) the Bay of Islands.

MR. TOBIN:

The Bay of Islands, Mr. Speaker.

AN HON. MEMBER:

(Inaudible).

MR. TOBIN:

I am just wondering if there was any funding requested out of that \$9 million that I believe probably has been left over, and where it is gone.

Mr. Speaker, we have a Government here who have done absolutely nothing for this Province. The Minister of Finance, in his Budget, inflicted a tax we have never seen before. We have the Minister of Health talking about a \$25 million cut from the Federal Government. The Minister of Health neglected to say that this year the Province received \$42 million more from the Federal Government than it received last year.

MR. EFFORD:

Is his time up?

MR. TOBIN:

No, Mr. Speaker, my time is not up and it should never be up, and it should never be up, Mr. Speaker, for the Minister of Social Services.

What has happened, as I mentioned, Mr. Speaker - and let me zero in; and I just told the Minister of Health that when he became Minister, there were beds open in Grand Bank and St. Lawrence and Burin, and now the only place we have them is Salt Pond, Burin. Let me say to the Minister of Health and the other Ministers that there were 500 more people working in the Marystown Shipyard than are there today because of this Government.

Mr. Speaker, there are 500 less employees in the Marystown Shipyard today because of this Administration. There are over 200 people who have left the Burin peninsula and gone to the mainland. The Grand Bank plant had a future as well as the other plants when this Party was in Government. We were not closing them.

AN HON. MEMBER:

(Inaudible.)

MR. TOBIN:

I do not know how old you are boy, I suppose you have a birthday every year. Mr. Speaker, this Government has created more destruction in rural Newfoundland than we have ever seen before. The Member for Bonavista South, who lived in Marystown at one time and campaigned for me and came to my victory celebrations, he knows the prosperity that existed on the Burin peninsula when he lived

there, he knows it is not there now as well because this Government has drained the economic lifeblood from the Burin peninsula. Fisheries, the Shipyard - they talk about Development, the Cow Head Development has been delayed for one year. I support the Member for Placentia for the year round ferry service. One year, Mr. Speaker, this Government has done more destruction in one year - they were bringing them all home, every mother's son was coming home, and we in Marystown were naive enough to believe that we would be building the boats in which to bring them home because there would be too many for planes. We thought that they would be taking their furniture and Port aux Basques would not be able to handle it all and we would have to bring some into Argentia, that is why I got involved in the Argentia hype because we were going to bring the ones from eastern Newfoundland as we thought they would have to come through Argentia rather than go to Port aux Basques and that hopefully Port aux Basques would handle the west from Corner Brook with the influx of people. But we were wrong, that was wrong, that did not happen. The people are not coming home, they are leaving instead, Mr. Speaker.

They are leaving by boat, they are leaving by car, they are leaving by plane, every time you turn around there are people leaving this Province, left, right and centre. You have this Government here and the Minister of Social Services saying cancel the licence to the 65 foot vessels. You have the Minister of Social Services saying wipe out the Middle Distance Fleet and you have the Minister of Fisheries turning his

back and the two of them argues over there Mr. Speaker, that is what happens. What development has taken place on Cow Head, \$1.5 million allocated this year of which 1.3 million comes from the Federal Government, Mr. Speaker, \$1.25 million. What development has taken place in Argentia, despite the efforts of the Member, this Government has turned its back totally on Placentia Bay.

I can tell you Mr. Speaker that what was coming to the Burin peninsula was a lot more than what was going to Placentia Bay before this Government and this Premier took the GBS and put it over in Trinity Bay, a lot more. And Argentia will take more of the brunt than the Burin Peninsula. That is what has happened, and it did not stop there; the Premier did not stop there. What did he want to do with the jobs for the top sides that were going to be done in Placentia Bay but the oil companies have told him where to go? What have they done? They have struck the Economic Recovery Team. I compare it to the Resettlement Program under Valdmanis. That is what is going on in this Province. You have Valdmanises everywhere, Mr. Speaker.

AN HON. MEMBER:
Who is he?

MR. TOBIN:
Who is he? He was the economic saviour of Newfoundland in the 1950s, the same as you have one now. That is what is going on in this Province. I respect the Member from Pleasantville, Mr. Speaker, who would not support the Economic Recovery Team. The Economic Recovery Team is the biggest joke in this city today, the biggest joke!

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. TOBIN:

The Premier had to stand in his place today and say that it took twelve months. Three weeks ago - three weeks ago - a request was made for a fisheries aid package. Three weeks ago it was made. Now, Mr. Speaker, what was the Economic Recovery Team doing for twelve months?

MR. MURPHY:

(Inaudible).

MR. TOBIN:

I would say to the Member for St. John's South, Mr. Speaker, if the plant was closing in my District and I was a Member of that Government, it would not take them twelve months to make a request. That is what happens.

MR. CRANE:

A good Member.

MR. TOBIN:

Mr. Speaker, the Member for Harbour Grace says the Member for St. John's South is a good Member. I would say one thing, he is better than you are.

MR. RAMSAY:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the Member for LaPoile.

MR. RAMSAY:

Mr. Speaker, it is a matter of a statement made. I do not think the hon. Member would want to be on record as misleading the House. He did make a statement that the hon. the Member for

Pleasantville did not support the Economic Recovery Commission. I think the record will show that the hon. Member for Pleasantville did vote in support of the Economic Recovery Commission, so I would ask that the hon. Member not make such statements to the detriment of the hon. Member for Pleasantville's record. I think the record will clearly state, if the Speaker will check into it, that the hon. Member was misleading the House.

MR. SPEAKER:

There is no point of order, just a disagreement.

MR. TOBIN:

Mr. Speaker, I can tell the Member for LaPoile -

MR. SPEAKER:

Order, please!

I have not recognized the hon. Member for Burin - Placentia West.

The hon. Member for Burin - Placentia West.

MR. TOBIN:

Mr. Speaker, I am sure my colleague from Kilbride would apologize for blocking me out. Let me say to the Member for LaPoile, Your Honour, that the Member for Pleasantville can do a lot better job speaking for himself than you can do for yourself, so imagine how bad you did speaking on behalf of him.

Now, Mr. Speaker, what has this Government done in terms of Education? What have they done? We saw a contradiction today like we have never seen before. We had to table a letter today in this legislature -

SOME HON. MEMBERS:

Oh, oh!

MR. TOBIN:

There is something happening for the best in this House at this moment. At this moment, Mr. Speaker, there is something happening for the better in this House.

AN HON. MEMBER:

What is that?

MR. TOBIN:

A change in the Chair.

AN HON. MEMBER:

(Inaudible).

MR. TOBIN:

Yes, Mr. Speaker, tell him. Tell him. I do not care. Mr. Speaker, the Minister of Education had to stand in this House today, and what did he do with a letter that was written by the Deputy Minister? What happened to a letter that was written by the Deputy Minister? Was that letter valid or was it not, when they went to bankrupt three colleges, three university residences? What has happened? The Minister of Education, Mr. Speaker, now wants to close down the headquarters on the Burin Peninsula, wants to rob the headquarters from the Burin Peninsula.

AN HON. MEMBER:

Be nice now. Be nice.

MR. TOBIN:

Yes, I will be nice, Mr. Speaker, but I expect the Minister of Education to be nice as well. When you look at the families of these people who are working there; these people who are working there have children and you, Sir, if you close the headquarters, are going to put them in an awful situation, and

that bears on your shoulders. That, Mr. Speaker, is what is happening in this Province.

AN HON. MEMBER:

Tell us what happened when you campaigned down there in the last election.

MR. TOBIN:

Yes, Mr. Speaker, we won by 2,700 votes. That is what I did, 2,700 votes.

SOME HON. MEMBERS:

Hear, hear!

MR. TOBIN:

I put together a good campaign and won by 2,700 votes. And not only that, Mr. Speaker, in three elections, every election my majority increased. Next time, it could be close to 5,000.

AN HON. MEMBER:

There will not be that many left up there.

MR. TOBIN:

Well, that is a problem, Mr. Speaker. At the rate they are leaving the Burin Peninsula, I might not have a district to run in. If I do not, I will go to Gander.

SOME HON. MEMBERS:

Or Port de Grave.

MR. TOBIN:

No, Mr. Speaker, I am not going to go to Port de Grave.

The biggest increase in this Budget, Mr. Speaker, in any one single division in Government, do you know what it is? The allocation of the numbers of people who are going to be on welfare next year. That is what it is, Mr. Speaker. The projection of the numbers of

people who will be on social assistance next year carries the biggest single majority of any division - \$9 million is the projected increase next year for people on social assistance. That is something to be proud of. The \$9 million, Mr. Speaker, that is the Province's share; that is for the people on social assistance.

MR. EFFORD:

We gave \$12 million to the refugees alone.

AN HON. MEMBER:

And you got \$15 million back.

MR. TOBIN:

Yes, Mr. Speaker. The Minister of Social Services should be very careful with the comments he makes about these refugees, and should be extremely careful about the tone in which he describes these refugees, because the Minister of Social Services has made a lot of people in this Province not very happy with his comments. No wonder he cut the Youth Diversification Program in Grand Falls.

Let us talk about rehabilitative services, Mr. Speaker. We can go on with the Social Services Budget. I only wish the Minister of Municipal Affairs, the old amalgamator was here, Mr. Speaker. Not only is he going to force amalgamation, now he is going to force - do you what this Government is up to? This Government is up to getting more money from the payroll tax through the amalgamation process. That is part of their plan. Part of their amalgamation process is to force amalgamation, get more communities together, have a greater payroll, Mr. Speaker, and then they will get more money. That is one of the reasons they are forcing

amalgamation in this Province. They will force amalgamation. We can take the Placentia area, Mr. Speaker, where my father lived for a while, out in Dunville, all these great towns together and I bet you any money that the payroll will exceed \$300,000 and then he has his tax grab. That is how deceitful this Government is, that is how underhanded it is.

Mr. Speaker, it is time for the Minister of Finance to come clean with the people. In my own District he is try to force the amalgamation of Spanish Room with Marystown. Now, Marystown has to pay the payroll tax, so this means a greater burden that he is going to impose on the people of Spanish Room. That is what is happening here. He is trying to burden the people of Spanish Room with a greater tax increase. That is the deception of this Government.

MR. EFFORD:

Sit down.

MR. TOBIN:

No, boy, I will not sit down.

Mr. Speaker, when I am standing here I will not be silent in this House, the way the Member for Port de Grave was a couple of weeks, or a few months ago. He took a pretty sad role in this House.

MR. EFFORD:

Four weeks.

MR. TOBIN:

Yes. And if he keeps going in the direction he is, it will be longer than four weeks the next time.

The Minister of Municipal and Provincial Affairs has forced amalgamation in this Budget. And there is something else the Minister of Finance is going to

have to account for. I understand that in the past couple of weeks Government has been dishing out more capital funds, which were not included in the initial one. Maybe the Minister of Finance will explain when he gets up to speak where the extra money is coming from the Minister of Municipal Affairs is giving to his Liberal buddies. Where is that coming from, Mr. Speaker? That is what is happening in this Province.

Mr. Speaker, we have in this House the most incompetent group of Ministers we have ever seen. Collectively, Mr. Speaker, the Ministers are incompetent. I am going to suggest that the Member for Carbonear and the Member for Placentia would add immensely to that Cabinet, and the Premier should act immediately to see that both of them are in there. The most incompetent Minister is the Minister of Social Services, combined with the Minister of Finance, the Minister of Transportation, and the Minister of Forestry.

AN HON. MEMBER:
And Education.

MR. TOBIN:
No, the Minister of Education is a pretty good fellow. Education is alright. Mr. Speaker, the Member for Placentia and the Member for Carbonear may never get there, because they do not play the game the way the Member for Mount Scio - Bell Island does. They do not play the game the way the Member for Mount Scio - Bell Island and the Member for Exploits do; they do not run to the Premier with everything.

AN HON. MEMBER:
Nobody has to (inaudible).

MR. TOBIN:
Nor should the people who depend on his Department have him for a Minister.

In this Budget, Mr. Speaker, the budget of the Department of Fisheries is cut by \$2 million when we are in the biggest crisis we have ever been in in history. What has the Government done for Twillingate? What have they done for Fermeuse? What have they done for Ferryland? What have they done for St. Mary's? What have they done for Grand Bank, Gaultois, Trepassey, and Belleoran?

What has the Loan Board done, Mr. Speaker? We are talking about fisheries. What has the Loan Board done in this Province?

MR. EFFORD:
(Inaudible).

MR. TOBIN:
If he wants to talk about Sprung, let us talk about the Fisheries Loan Board. That is what we will talk about. We know where the Minister of Social Services is coming from. The budget of the Department of Fisheries has been cut by over \$2 million when this Province is facing the biggest crisis ever. That is what they have done. They have done nothing for anyone.

AN HON. MEMBER:
(Inaudible).

MR. TOBIN:
Took care of who?

Mr. Speaker, I do not know if he is threatening somebody inside the House or somebody outside.

MR. EFFORD:
(Inaudible) Eastern Shipbuilders, and we took care of him.

MR. TOBIN:

He takes satisfaction in what happened to Eastern Shipbuilders, does he? Does the hon. Minister take satisfaction as a Minister of the Crown in what has happened to Eastern Shipbuilders? Is that what he is saying? Now, Mr. Speaker, is that what this Government is proud of? The Minister of Social Services should be ashamed of himself and he should apologize for that comment. That is what should happen.

MR. SPEAKER:

Order, please!

The hon. gentleman's time is up.

SOME HON. MEMBERS:

By leave.

SOME HON. MEMBERS:

No leave.

MR. SPEAKER:

The hon. the Member for Lewisporte.

Before recognizing the hon. the Member for Lewisporte, even though I have done so, I would like to welcome to the public galleries today, on behalf of hon. Members, a former Member of the House of Assembly, Mr. Alec Moores.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Also, we would like to welcome some distinguished visitors with Mr. Moores: Mr. Joe Van Olsen, the Minister of Fisheries, Denmark, and Mr. Olaf Olsen, the Minister of Industry, Denmark.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Member for Lewisporte.

MR. PENNEY:

Thank you, Mr. Speaker.

It is again my pleasure to rise in this hon. House on this occasion to speak in defence of the Budget, although this particular Budget needs no defence from anybody. This has been, I would think, probably the most exciting and most rewarding twelve months of my life, having been a Member of this Government, having been part of a Government which has taken the first steps toward building a better future for every man, woman and child in this Province.

This is undoubtedly the most prudent Budget this Province has seen in seventeen years. It is undoubtedly the most fiscally responsible Budget we have seen in seventeen years. Despite, Mr. Speaker, the devastation of the Federal Budget, despite inheriting a debt of \$5.2 billion, we have opened 88 hospital beds, provided an additional 32 nursing positions, provided \$2,100,000 to the Economic Recovery Commission -

AN HON. MEMBER:

Another mistake.

MR. PENNEY:

- increased the income of Social Assistance recipients by 4 per cent -

MR. MATTHEWS:

And put half the province on welfare.

MR. PENNEY:

- increased clothing allowances to foster children by twenty per cent -

MR. MATTHEWS:

Yes, and put the tax on the

children's clothing and increased that.

MR. PENNEY:

- provided over \$60 million for capital construction and education

MR. MATTHEWS:

\$5 million (inaudible).

MR. SPEAKER:

Order, please!

I want to remind the hon. Member for Grand Bank, number one, that he should not be making remarks from the seat he is in, he should make remarks from his own seat. I have noticed that has happened on a couple of occasions, and hon. Members should know the rules of the House, and that that is not in order.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

This is an appropriate time to list the questions that will be debated in the Late Show. The first one is by the Member for Grand Bank, and he says, 'I am not satisfied with the answer given to me by the Minister of Fisheries to my question regarding the fisheries aid package.'

The second question is directed by the hon. the Leader of the Opposition, and he says, 'I give notice that I am dissatisfied with answers given today by the Minister of Finance in response to questions by me on the payroll tax.'

The third question is the hon. Member for Humber East stating her dissatisfaction with answers from

the Minister of Finance to questions posed by her, again on the payroll tax.

The hon. the Member for Lewisporte.

MR. PENNEY:

Thank you, Mr. Speaker.

I was listing some of the benefits of this Budget, some of the provisions, and I will continue. Over \$113 million for road construction, almost \$100 million for the Newfoundland and Labrador Housing Corporation Capital Program, and, Mr. Speaker, the list goes on and on.

All of this, Mr. Speaker, despite inheriting a debt from the Tories that requires \$470 million a year to pay just the interest. How did we do that, Mr. Speaker? How was this done? How did the hon. Minister of Finance do this? He did it, Mr. Speaker, by eliminating the extravagance and the waste we had been used to for seventeen years.

MR. SIMMS:

Like hospital beds, and stuff like that.

MR. PENNEY:

He did it by the proper and responsible spending of the few dollars we had, Mr. Speaker. Just imagine what we could have done as a Government if we had a Liberal Government in Ottawa.

Just imagine what we would have been able to accomplish if we had not inherited seventeen years of mismanagement. Just imagine, Mr. Speaker, what we could have done if we had some money. Mr. Speaker, I believe the hon. Leonardo da Kitchen has just created a masterpiece - Leonardo da Kitchen.

AN HON. MEMBER:
Leonardo da Kitchen?

An example, Mr. Speaker, has been the elimination of the waste of \$1.8 million - we had a choice, Mr. Speaker. \$1.8 million could have been spent on new cars or it could have been spent on hospital beds. Our Government decided that it should be spent on beds. We have saved \$236,000 by the elimination of the Office of the Ombudsman. Every single person I have spoken to in my District, and all across this Province, have been very impressed with this Budget, Mr. Speaker. Not one person I have spoken with have spoken negatively about this Budget.

AN HON. MEMBER:
Not a soul.

MR. PENNEY:
Not a soul.

Mr. Speaker, the Opposition cannot even manage intelligent questions when it comes to questions on the Budget during Question Period, they have had to restrict their questions to the health and post-secondary education tax. That is about the only thing they know to ask. And they have not presented that properly.

Mr. Speaker, let me give you an example of businesses in this Province which have a payroll of \$400,000. The Opposition tries to leave us with the impression that this \$400,000 is being taxed at a rate of 1.5 per cent. First of all, you subtract from that \$400,000 the \$300,000; you are then left with \$100,000 that is taxable at a rate of 1.5 per cent, which will give you \$1,500. Now, Mr. Speaker, deduct from that \$1,500 the corporation tax that

will be saved. The percentage of corporation tax is either 22.8 per cent or 45.8 per cent, depending on what tax bracket that particular business is in. Now that comes to a saving of about \$342 or \$687, depending on your taxable income. Mr. Speaker, \$1,500 minus \$687 comes to \$813, which works out to be \$15.63 per week.

Mr. Speaker, let us put that in perspective. A business which has a payroll of \$7,700 a week is paying in tax \$15.63 a week, and that is all hon. Members in the Opposition can find to complain about with this Budget.

Mr. Speaker, this is an excellent Budget. The press has loved it. Everybody in the media who has spoken about it has praised it very highly.

AN HON. MEMBER:
Who has praised it?

MR. PENNEY:
The hon. Member asks, who has praised it?

I would like to read part of one of the articles that appeared. It says, 'When I heard Dr. Kitchen's preamble, which included a strong, strong statement that the Budget would be one that does not come down hard on the people, I could not believe my ears and I waited for the bomb to drop. How can that possibly be? I said to myself. Here we are with a crisis in the fishery, a \$47 million drop in Federal funding, demands for health and education services coming in by the truck load, and how can that possibly be? How can the man possibly not increase taxes on ordinary people?'

He goes on, 'Well, all praise to

Hubert Kitchen and the Government.'

This is a impartial presentation from the media, Mr. Speaker, by Mr. Bob Nutbeem. I am sure all hon. Members on the opposite side will acknowledge that he is impartial. Certainly he has not shown any affiliation to any political party in this House, has he? He says, 'well, all praise to Hubert Kitchen and the Government. Not only did he bring in a balanced operational Budget, but he achieved initiatives in previously unchartered waters.' He goes on and he says, 'Glory be to God! he identified tangible, understandable areas in which Government expenditure could be curtailed, contained, or eliminated.'

SOME HON. MEMBERS:

Hear, hear!

MR. PENNEY:

I am sure this hon. gentleman has a very good memory. I am not questioning his memory. He says, 'I do not remember such a practical statement of Government goals and intentions before.' He goes on and says, 'It was music to my ears to hear the one step access to Government Crown Corporations to facilitate the creation of the small businesses which are crucial if we are to succeed economically and culturally.' I will read another little bit from this, because I think this is noteworthy. This man is certainly worth quoting, because he is totally impartial. He says, 'Imagination and creativity, both elements I said just a few days ago were needed but were unlikely forthcoming. Well, they came and they were injected in large doses.' Mr. Speaker, that is exactly what we did get. We got large doses of

imagination, creativity and common sense for the first time in a long time.

He says, 'Identification of the child abuse problem was met head-on and recognition that transition houses were not merely a requirement in urban Newfoundland. I was amazed that so many forward-thinking plans were announced. The Budget gave the people a large measure of what they wanted without the pressure of perceived electioneering.' Mr. Speaker, I do not believe there was an article written in any paper in this Province after any other Budget in the last seventeen years that can compare with the statement I just read.

SOME HON. MEMBERS:

Hear, hear!

MR. PENNEY:

There is a young lady, named Kimberly Brett, who works for the Robinson Blackmore newspapers and she is the Assistant Editor for the Lewisport Pilot. Now, this is a young lady who started working with the newspaper this year for the first time.

AN HON. MEMBER:

(Inaudible) Charlie Brett.

MR. PENNEY:

No, she is from my riding. I will just read one sentence. She said, 'It is such an apparently sensible Budget that it drew applause of approval from the Opposition when read in the House of Assembly Thursday. With a nip here and a tuck there the Minister was able to increase necessary and overdue services for Newfoundlanders without heightening any additional taxation burdens.'

SOME HON. MEMBERS:

Hear, hear!

MR. PENNEY:

I understand that before the Budget was read in the House the hon. the Member for Mount Pearl actually called a press conference in which he explained to everybody in this Province what was going to happen. He said there would be major cuts in Government services; he suggested that smokers stock up on cigarettes; the price of cigarettes was going to be increased, the price of alcohol was going to be increased, there was going to be a tax on gasoline, there was going to be an increase in personal income tax.

He did a masterful job at his press conference, Mr. Speaker. I must say I have no criticism of the Member. This is a Member who has practically become one of my constituents lately. I mean, I have no criticism of him. He does not know any better. What he was telling the people in this Province, at a press conference, is exactly what would happen if the PCs were bringing down a Budget. That is all he knows!

Mr. Speaker, at the reception that was held after the reading of the Budget, one of my constituents told me he was sitting in the gallery and he could not help but notice that all Members of the Opposition were sitting there with a smile on their faces in anticipation of the Liberal Government and the Minister of Finance bombing out and making fools of themselves. There was this smile of anticipation. But as he proceeded into his speech, all of that changed: Their attitudes changed, their composure changed, the eyes opened, the mouths opened, the chins dropped, they started to applaud some of

the things that were announced by the hon. Minister, and I give them points for that. They were stunned, Mr. Speaker, they were in shock, and they have been in shock ever since! The priorities of this Budget were economic development, health care and education. The priorities of this Budget were not cucumbers, cigars and limousines.

Before getting into some of the specifics of the Budget, I would like to make reference to a chart which appears in the Budget document. It is under the heading Fiscal Performance, and anybody who wants to look it up, the pages are not numbered but it is chart six. It is about in the centre of the Budget Speech, chart six, and it says: 'Current Account Surplus/Deficit for Newfoundland 1981-82 to 1990-91.' If you will notice, Mr. Speaker, for the last two years we show a surplus. For the last two years the bar on the bar graph is on the top portion of the center line. Previous to that, all the bars on the bar graph are below the line. Now, for the two years that that bar was above the centre line and showing a surplus, that is the two years we have had a Liberal Government in this Province. I think that is noteworthy.

SOME HON. MEMBERS:

Yes!

MR. PENNEY:

It is noteworthy. We show, last year, a surplus of \$37.8 million. Now, we only budgeted a little over \$5 million surplus. This year we budgeted \$10.2 million. Based on last year's performance, I do not think there is room on that page. Mr. Speaker, we have achieved a surplus on current account for two consecutive years,

and I am sure every Member opposite is envious of that record.

Under the heading of Education, Mr. Speaker, 1989 will be remembered as the year the Government recognized the disparities between the educational services in urban Newfoundland and rural Newfoundland, and the year the Government implemented a series of initiatives to reduce these disparities and to improve the quality of education and the accessibility of education to all residents of this Province. But, Mr. Speaker, 1989 was the year we had a Liberal Government in this Province; it was the year we saw a turnaround in Government and a turnaround in the way education was treated in this Province.

In this Budget we see an additional \$1.7 million being spent on student aid. That is an increase of 11 per cent. We see school tax equalization staying where it was, at \$10 million more than when the Tories were in power. We see an increase in operating grants for the school boards of 4 per cent; provision for improvement to the School of Nursing and the School of Pharmacy. I was a pharmacist myself, and I am very proud of that fact, Mr. Speaker.

This is another one I am also very proud of, Mr. Speaker, funding for the Central Newfoundland University campus. The Government has recognized the need to bring post-secondary education to Central Newfoundland. We finally have a Government that recognizes that Lewisporte is just as important as St. John's, a Government that recognizes that Little Burnt Bay or Bonavista is just as important as Mount Pearl,

and that the residents of Comfort Cove/Newstead should not have to come all the way to St. John's to get an adequate post-secondary education.

SOME HON. MEMBERS:

Hear, hear!

MR. PENNEY:

Mr. Speaker, prior to this Government taking power, prior to the election, the previous Administration, when asked about a university campus for Central Newfoundland, said, No. They said the 55,000 people who reside between Grand Falls and Gander do not count, they are not important. They said the 120,000 people who live within a 150 kilometer radius of Lewisporte, 75 per cent of whom are in rural Newfoundland, do not count; 120,000 of them not important.

Mr. Speaker, the hon. the Member for St. Mary's - The Capes said last session in a presentation here, I was hoping to quote it verbatim, that, in his opinion, the university should not go to Central Newfoundland.

AN HON. MEMBER:

What! He did not say that!

MR. PENNEY:

I quote from December 12. He said, 'where we see the university, if there is one - there should not be one established, by the way. I will say that. There should not be a central university.'

AN HON. MEMBER:

Read it all.

MR. PENNEY:

I will read the rest in a minute. Mr. Speaker, thank God, we have elected a Government which cares

about Central Newfoundland and the rest of rural Newfoundland as much as the previous Administration cared about St. John's.

The decision to locate the university, Mr. Speaker, will be done fairly. It will not be done for political expedience, the decision will be made fairly. Whether it goes to Grand Falls or Gander or Lewisporte, I am sure the decision will be made fairly and will be based on educational merits. I have no problem with the location.

I continue to quote the hon. the Member for St. Mary's - The Capes. He said, 'We will not see it in Lewisporte, where all the original support for the university came from. I would suggest that the university will be in Gander because' the Member for Lewisporte 'is not in Cabinet and his colleague is. It would have been in Grand Falls, but I am afraid it will not be now.' Mr. Speaker, that is an admission of how the Tories handled their power when they were in Government. That is an admission as to how they did things.

Fortunately, we have a Minister who cares, and the decision will not be made that way, the decision will be made fairly. Mr. Speaker, the Minister I refer to cares enough that he came and spent a full day with me in my District, and he visited every school in the Lewisporte area. He went in and talked, not only to the teachers and the principals, but to the students. He asked the students what they thought. He asked, 'What are your concerns? What are your problems?' He said, 'I am the Minister responsible. Let me know. Tell me. And he sat in the classroom with them and listened.

I wonder when was the last time we saw a Minister of Education do that, Mr. Speaker?

AN HON. MEMBER:

Was St. Mary's - The Capes Minister of Education?

MR. PENNEY:

Yes, he was.

Mr. Speaker, under the heading of Health, we have opened fifty-five hospital beds; thirteen beds were opened in the Agnes Pratt Nursing Home; twenty beds in the Dr. Hugh Twomey Health Centre; thirty-three nursing positions created and thirty-two residential care positions funded for nursing homes. Mr. Speaker, that is a total of 153 positions. The budgetary allocation for health has increased by \$74 million. That is a 10 per cent increase. Mr. Speaker, that is a \$143 million since the Liberals took power. Mr. Speaker, these are just the first steps, but they are significant steps, they are positive steps. The Government cares about the health of our people and the quality of health care that is being provided.

Mr. Speaker, under Economic Development \$1 million for the new Crown Corporation which will cut through the Government red tape and which will administer all local business and development programs throughout the Province; almost \$1 million for tourist-related projects under the Labrador subsidiary agreement; almost \$500,000 to promote Newfoundland as an investment opportunity to Asia; and over \$2 million to continue with the Economic Recovery Commission.

Mr. Speaker, the Opposition constantly has criticized,

condemned the Economic Recovery Commission as a waste of money. They say it will not work. It should not have been done. They have compared it to some less honourable projects from the past. Mr. Speaker, maybe the Economic Recovery Commission will not do what we want it to do, maybe it will not work the way we would like to see it work, but we have tried. We have given it a chance. We are prepared to give it a chance.

AN HON. MEMBER:

It is better than Sprung.

MR. PENNEY:

That is right, it is better than the Sprung project. I can assure you what the Economic Recovery Commission will do for Newfoundland will compare very favourably against Sprung.

Mr. Speaker, still on the topic of the Economic Recovery Commission, when I spoke in this House of Assembly during the debate on Bill 40, I presented some Canada Statistic figures, and I think they bear repeating, if you will bear with me for a minute. In 1961, the UI benefits to Atlantic Canada averaged \$120 per capita; the UI benefits to Newfoundland averaged \$140 per capita. That was just 16 2/3 per cent higher. Now, from 1961 to 1971, there was very little change. The change was practically insignificant. But, Mr. Speaker, in 1972 the Atlantic Canada average was \$250 per capita, and the Newfoundland average was \$300 per capita. That is over 30 per cent higher than Atlantic Canada. In 1981, Atlantic Canada was \$380, Newfoundland \$520. That is 37 per cent higher. I am not comparing with all of Canada, I am comparing with Atlantic Canada, Mr.

Speaker. In 1987, the figures for Atlantic Canada \$580, Newfoundland \$850. The difference, over 46 per cent. Mr. Speaker, it does not require any unusual intelligence to recognize that from 1972 to 1987 the disparity has increased and the gap has widened. It does not take any intelligence any greater than what we have in any Member sitting on this side of the House of Assembly, Mr. Speaker. Our Government has recognized that fact and has taken the initiatives required to correct it, and it has done that through the Economic Recovery Commission.

I am very proud to be able to stand here in the House of Assembly and support that Commission, support the concept, support the idea. As I said, maybe it will not work, but we are trying. We could have done it differently, Mr. Speaker, we could have done with little silly make-work projects. But this is the way we attempted to do it, and this is the reason we are providing over \$2 million to continue with the efforts of the Economic Recovery Commission.

Mr. Speaker, I see my time is up. By leave?

AN HON. MEMBER:

No. no leave.

MR. PENNEY:

Thank you, Mr. Speaker.

MR. PARSONS:

Mr. Speaker.

MR. SPEAKER:

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

MR. PARSONS:

Thank you, Mr. Speaker.

I know for some of those hon. young whippersnappers across the way I would be just telling them something they did not know, but yesterday - I am not being facetious either, because, Mr. Speaker, it was a serious debate here yesterday and I certainly do not want to make fun - I got up so often I felt, after being to the ice and seeing the harps and the old dog hoods coming up when they used to shoot them, when they were in the water coming up like that and flapping their flippers, I felt like a dog hood. I got up so often, Mr. Speaker, that when I went home last night I had pains in my legs. In the last instance, Mr. Speaker, I was sorry about it - you were not in the Chair - but I had to have a little deliverance and I did proceed with part of my speech. But, Mr. Speaker, it was only in parts and it was only because of the great enthusiasm that I had for the topic that was being talked about.

Mr. Speaker, yesterday the point I wanted to make certainly has to do with the economics of the Province, and certainly would have to do with what was not in the Budget and what was in the Budget.

Mr. Speaker, I thought to myself yesterday that the Government of the Premier who is sitting over there now - I know he is not listening - but the Government of the day should have the responsibility, should find themselves as the responsible Government, and I speak of responsible Government in that tone, to say, Look, if Ottawa does not come through with money for the seal fishery, then we will not let it go down the tube no more than we did when we were a sovereign nation. Remember, we were a sovereign nation and we

survived; we survived well enough that people out there wanted us to be part of them, including Canada, which we are a part of now, and the United States, perhaps. But, at any rate, we did survive. And my only contention yesterday, my real reason for getting upset was the fact that I thought to myself that this Government should, as a last resort - I know they were trying to wait, trying to get Federal funding, and I earnestly believe, Mr. Speaker, I do have faith in that Government in Ottawa. I do. I do, Mr. Speaker. I do have faith, and they will do it, Mr. Speaker. They may not come in with a subsidy written as a subsidy.

AN HON. MEMBER:

What do you have faith in?

MR. PARSONS:

I have faith in the Federal Government, that they will come to the aid of the sealers. I know the Minister of Fisheries when he made his presentations to the Minister in Ottawa must not have made a very great one, because he did not even get an answer. But we had the Sealers Association go up there, and I think they will get an answer, and I think that answer will be positive. Because yesterday all the Minister said was, the door may be -

MR. SPEAKER:

Order, please!

It is now 4:30. Does the hon. Member wish to adjourn the debate to move to the Late Show?

MR. PARSONS:

I adjourn the debate.

Debate on the Adjournment
[Late Show]

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

I was certainly dissatisfied with the answers to my questions to the Minister of Fisheries today pertaining to the fisheries crisis, and particularly the economic diversification plan which has been referred to over the last number of months by both the Minister of Fisheries and the Premier. As I said earlier today, it was my understanding, and certainly the understanding of the thousands of people in the communities which will be affected, that what the Provincial Government was attempting to do was find another industry or industries for the towns which will be losing their fish plants over the next number of months, or the next year or so.

I believed at the time that the Provincial Government was honestly trying to do that. But what has come to light over the last day or so, particularly since questioning the Minister in the House today, is it has become obviously clear to me, and I am sure to the people in those communities, once the news gets out, that really what the Provincial Government has done is procrastinate over the last six or seven months, and what we have seen presented to Ottawa, in essence, is sort of a panic document by the Chairman of the Economic Recovery Commission to try and address economic development in Newfoundland and Labrador.

Now, there is nothing wrong with economic development in Newfoundland and Labrador. We all support that. But what we see

here, the things being proposed by this Government, are really not going to address the problems in the areas, in the communities affected. Mr. Speaker, that is why I addressed the questions to the Minister of Fisheries today, and the reason I am dissatisfied is because he could not tell me if there has been any industry found for the towns of Grand Bank, Gaultois, Trepassey, Twillingate, Piccadilly, and so on, or even if there has been any equipment found in the case of Piccadilly. That leaves me, Mr. Speaker, to feel very, very uncertain, and I guess to feel quite alarmed, for the thousands of fish plant workers and the thousands of fishermen.

Right now, today as I am speaking, there are approximately twelve communities that either have their fish plants closed, or will be closing in the next twelve months or so. That is what we know of today. I hope, Mr. Speaker, that is the end of the bad news. I hope there will not be any more fish plant closures, and I hope those that are due for reopening in the next few weeks for this fishing season, I hope they will reopen. But, I think, being realistic after saying that, that we are going to hear a lot more bad news about the fishery over the next month or so. What really frightens me is that this Government, while casting all the blame on the Federal Government, have totally ignored their responsibility to the people of Newfoundland and Labrador.

MR. R. AYLWARD:

They have abdicated responsibility.

MR. MATTHEWS:

They certainly have not discharged their duty and their responsibility to the thousands of

fish plant workers and fishermen in this Province, and that is very, very sad when you know so many of those people personally. They really have been led down the garden path on this story because they actually thought, and some of them after having meetings with the Premier of this Province, thought that this Government was actively pursuing industries for their communities to replace their fish plants. What frightens me most is that I think over the next few days, when the plan unfolds, they will find there is nothing for them. I hope there is lots for them but again, Mr. Speaker, I am really scared and frightened for their future. Being one of them, I guess, you feel even more about it.

If you did not come from a community that is being affected you would not care, Mr. Speaker, or you would not care as much, but being one of them it really frightens me. I think what we see here is another charade by the Provincial Government, the same way they tried to slough off that plants were going to close initially. They sloughed that off and said it was not the case, even in the case of one of their own Members, the Member for St. John's South. They did not even tell him his own plant was closed even though they concurred with the closure.

Mr. Speaker, that is why I am dissatisfied with the answers. Well really I did not get any answers from the Minister of Fisheries. I asked him two months ago to table the conditions attached to the financing package to Fishery Products International and he has not had the courtesy to do that yet. I think that once this package unfolds, Mr. Speaker,

in the next few days, hopefully it will be in the next few days because people are tired of waiting for it, that we will see very clearly that this Provincial Government has not put very much time whatsoever into finding alternative industries for those communities.

They are not willing to get involved financially, and all they are interested in doing, as the Minister indicated publicly, I believe, the day before yesterday, is that he wants to talk to the Federal Minister about being involved in the implementation of the fish aid package. I would suggest that what the Provincial Government is really looking for is to be involved in the implementation and the administration of a program that is going to be fully funded by the Federal Government. Now I would think that is really what the next few days is all about, to try to persuade the Federal Minister to please give me a few million dollars to save embarrassment for our Economic Recovery Commission because without your money, if we cannot be involved in the implementation and administration of your millions of dollars in the fisheries aid package, then our Economic Recovery Commission will be the failure that this Opposition has predicted for months. It will be a total failure without Uncle Ottawa's millions of dollars to keep them going.

MR. SPEAKER:
Order, please!

MR. MATTHEWS:
Mr. Speaker, in concluding I would say that the suggestions by the Economic Recovery Commission will not do very much for those

communities that are going to have their fish plants closed over the next few months in this Province.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
Mr. Speaker, when the hon. Member rose the Minister of Fisheries was out so I paid careful attention to what the hon. Member said.

Let me tell him, in due course, he is going to be an awfully embarrassed Member of this House. I know, Mr. Speaker, they are running interference for their federal friends in Ottawa. I know what they are going. If they think we are misled or deceived by this, they had better think again. We know they are running interference for their federal friends to try and set this up. But if they are going to do that, they should ask their federal friends to tell them the whole truth because they are leading them down the garden path. They have not given them the whole truth.

Now, Mr. Speaker, I undertake -

AN HON. MEMBER:
Press conference this morning?

PREMIER WELLS:
Well, it was. No, no, they have backed off.

MR. SIMMS:
So there is no press conference?

PREMIER WELLS:
Well, I do not know. The latest I heard was ten minutes ago but they may have changed their mind again. That was ten minutes ago.

AN HON. MEMBER:
(Inaudible).

PREMIER WELLS:
That is right.

Now, Mr. Speaker, I have asked the officials concerned to prepare a chronology of events dating back to last summer: what meetings were held, the dates they were held, the general nature of the discussions, the position, the proposals that were put forward, the drafts, and so on.

MR. SIMMS:
You need not have given them all that work.

PREMIER WELLS:
No, no. You asked the detail and you are going to get the detail and you are going to be awfully embarrassed. The Members are going to be awfully embarrassed to bear the same political name as their friends in Ottawa.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
They are going to be so embarrassed they may want to change the name of their Party, Mr. Speaker, when they see what happened and just see the extent to which the Federal Government has failed to properly respond, the extent to which the Government of this Province has moved in and taken the financial responsibility when it was really the Federal Government's responsibility, we moved in and took it.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
The extent to which we put forward -

AN HON. MEMBER:

You said you would not do it.

PREMIER WELLS:

We did. We already put up \$15 million in the Budget.

SOME HON. MEMBERS:

Hear, hear!

SOME HON. MEMBERS:

(Inaudible).

PREMIER WELLS:

I am just waiting for a little quiet and you will have the answers. A little quiet, it is just jabbering over there, but they are going to be awfully disappointed, Mr. Speaker, when the full story comes out. I do not think I can table the complete document tomorrow because -

AN HON. MEMBER:

Oh, oh!

PREMIER WELLS:

Well, I still have to be reasonably courteous to Mr. Valcourt. He has not formally responded to it yet. But I will probably attach perhaps the table of contents of the document so that you will see the general nature of it. This was the one that was done at the end of March.

MR. SIMMS:

By Doug House?

PREMIER WELLS:

No. It has nothing to do with Doug House.

All of the detail will be put forward. And the hon. Members opposite, when the full story comes out, will know just how badly that political party that bears the same name as they do have failed the fishermen and the people of this Province in

responding to the crisis that they created.

SOME HON. MEMBERS:

Hear, hear!

SOME HON. MEMBERS:

Shame! Shame

MR. SPEAKER:

Order, please!

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, that document will probably be read. They just asked me a short time ago to prepare it, because it really is necessary to deal fully with the question that was posed today, so I expect I will have it to table tomorrow morning.

SOME HON. MEMBERS:

(Inaudible.)

PREMIER WELLS:

Neither of the gentlemen who use those words do anything for their own dignity or the dignity and respect of this House by using those kinds of words.

MR. R. AYLWARD:

I just said three words, Master of Deception. Did I say it was you? You have a guilty conscience, I would think.

PREMIER WELLS:

No. no. I am not -

MR. SPEAKER:

Order, please!

PREMIER WELLS:

I am not stupid. I know what the hon. Member is saying and inferring. It is beneath his dignity and his reputation as a Member of this House to use those phrases.

MR. SPEAKER:
Order, please!

The hon. the Premier's time has elapsed.

PREMIER WELLS:
Thank you, Mr. Speaker.

The full detail on the times and dates when those meetings took place will be tabled tomorrow.

SOME HON. MEMBERS:
Hear, hear!

AN HON. MEMBER:
Details of meetings, how foolish, and when the meetings were held and so on.

MR. SIMMS:
Read Hansard, that was not the question.

MR. RIDEOUT:
Mr. Speaker.

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

MR. RIDEOUT:
Mr. Speaker, the full details no doubt will come out and will show that all the Premier was looking for was for Ottawa to fund a slush fund for him.

SOME HON. MEMBERS:
Hear, hear!

MR. RIDEOUT:
And we will provide some details on that tomorrow.

But I want to get to the Minister of Finance, Mr. Speaker. For the last six weeks we have in this House since the Budget came down we have been consistently trying to find out from the Minister of Finance the details of this

payroll tax that he introduced in his Budget. The Minister, Mr. Speaker, did not have the courtesy to come before this House with a Ministerial Statement on a Budget measure, never heard it before I suppose that a Minister of Finance had the backbone of a jelly fish, tried to hide from this House with the House closed for the Easter recess after day, after day, after day of questioning in this House. Mr. Speaker, when the doors of the House closes the Minister of Finance issues an innocuous press release, a four or five page press release, did not even have the audacity to face the media, so the media could question him on the payroll tax.

Hiding, Mr. Speaker, in the closet down in his office trying to implement a new tax on the people of Newfoundland and Labrador. You raise questions on that tax, Mr. Speaker, in this House, the only defense that the Minister and Premier have is that somehow or another the Opposition is trying to undermine their constitutional position on their ability to tax. Mr. Speaker, what foolishness.

The Minister of Finance has a direct responsibility to the Members of this House, to the people of this Province to answer questions on a new tax or any tax for that matter and this side of the House, Mr. Speaker, has a responsibility to ask them. And ask them we have. And what have we found, Mr. Speaker? We found that the Minister of Finance has brought in a Budget that is not a truthful document. It is a fraudulent document, Mr. Speaker. Just as we have been saying from day one since the Minister brought it down. Because now the Minister has got to either by supplementary supply or Special Warrants and an

amendment to the Budget, a mini Budget. The Minister of Finance has to find some legal form for expenditures of about, as best we can judge, \$10 million. \$4.7 million, Mr. Speaker, alone on the Salary Estimates of the various Departments.

The Minister knows the Department of Fisheries, the Department of Social Services, the Department of Development, the staff salaries for those Departments add up to \$317 million and 1.5 per cent of that is 4.7 almost \$5 million, that is Departments alone, so that money is not in the Budget, so the Minister has brought before this House a false document, it is not correct and therefore it has got to be amended, Mr. Speaker.

Now the second point I want to make is this. One of the other provinces, Manitoba, who in the past introduced this payroll tax, has now written under the signature of their Minister of Finance to all the businesses in the province telling them that they are going to repeal the tax because companies have been splitting off their payrolls, getting around it, laying off people, it has been a regressive tax, Mr. Speaker. Finally that tax, in a Budget where the Minister said he was not bringing in any new taxes, will find its way back into the pockets of every consumer in Newfoundland and Labrador. It will find its way on groceries, it will find its way on electricity, it will find its way on telephone bills, Mr. Speaker, the old tax grabber has struck again!

MR. SPEAKER:

The hon. the Minister of Finance.

DR. KITCHEN:

Mr. Speaker, I would like to say a word or two about the rationale behind this payroll tax. As you know, we, as I have indicated before, we did not anticipate raising taxes this year, but when the Federal Budget came down, we realized that we needed to recoup \$19 or \$20 million which they have taken away from us and consequently, if we were going to maintain the level of public services that we had anticipated and not to increase our deficit very much, we would have to hold the line by increasing taxes by that amount.

Now Mr. Speaker, here is this very serious question. I want to indicate this, we have to be extremely careful here, because the Federal Budget was predicated upon declining interest rates over this year, and if the interest rates do not decline this year, then the Federal Budget will be way out of whack, which means that next year they are going to hit us again. They are going to hit us again on equalization and they are going to hit us again on EPF, and it looks very much like, the way interest rates are going now, that they will not be able to bring their Budget in line. So it is very essential for us, and thank goodness we had the foresight to bring in this payroll tax which will help our budgetary position this year and also help our budgetary position next year. So instead of treating me like Daniel in the Lion's Den, what they should be doing is thanking this Government for having the prudence and the foresight to do what is absolutely correct.

Now Mr. Speaker, bringing in a new tax, and I think this is the first new tax of any consequence that has been brought into this

Province for a number of years - it is not the simplest thing in the world. Just consider Mr. Wilson's Goods and Service Tax. He has been at that for two years and he is still having serious problems in trying to work it out with all the ramifications and the implications. It is a hard question - bringing in a new tax. It is hard, and people have to get adjusted to it and make plans for it and so on. So it is perfectly appropriate that every single detail not be anticipated.

But things are coming on quite good on this. We are not in the backwoods on this. We are certainly not in the position that the Federal Minister is on his Goods and Service Tax. I am really sorry for the Federal Minister. I would like to make this point here on the Goods and Service Tax, there are two things, they make the point they are going to reduce the deficit, but they are also making the point that it is to be tax neutral. What they bring in and what they replace will be the same. They cannot do both. So they have a real problem.

I believe this is the first step in the Goods and Service Tax and to bring it in the first year in equalization. But in order to reduce the deficit one of two things are going to have to happen, either the economic climate of Canada is going to have to improve as a result of it, or they are going to have to increase the Goods and Service Tax next year. If they do that Mr. Speaker, it is going to hurt us even further. So, Mr. Speaker, thank goodness we were able to bring in this payroll tax.

Now again, I am not proud of having to bring in a new tax. It

is a harsh thing to do to people. Years ago tax people would go around; remember years ago when the old kings and so on would go around and take the grain from the peasants and so on, and take their money, and that is a serious question. When we put a tax on people we are taking people's money for the Government. We are seizing it by law. We are saying you have to give it. And that is a hard thing for any Government to do. But in certain situations it is absolutely essential.

If this Province is going to advance, we need money for economic recovery. We need money to help these fish plants. We need money for people who are on social assistance. We need money for hospitals and money for education and money for many other things. The only way we can get it is through taxation.

Now the previous Administration; what they did in the last few years was run her in the hole as my hon. colleague said. In the hole, more and more every year.

SOME HON. MEMBERS:

Hear, hear!

DR. KITCHEN:

They kept running her in the hole. They refused to face the realities of life. They ran her in the hole. As my colleague said, 'Look at the red lines here, down, down, down, except when we came in.' So, Mr. Speaker, I think it is appropriate for the Members opposite to give credit where credit is due.

SOME HON. MEMBERS:

Hear, hear!

MS VERGE:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Humber East.

SOME HON. MEMBERS:

Hear, hear!

MS VERGE:

Mr. Speaker, speaking of red ink, this Minister of Finance's Budget is probably wrong by \$10 million. He is estimating \$15 million net from the new payroll tax that comes into effect on August 1. He has refused to explain to the House how he arrived at that figure. When we have asked repeatedly for him to give a general breakdown of how much he is estimating to get from private sector employers, how much from Federal employers, and third, how much from Provincial Government Departments and agencies - he is stonewalled. He either sits in his seat or he gets up and says no, no, no. Mr. Speaker, I am on my feet now because the Minister has not given answers, he certainly has not given satisfactory answers to these questions. I am calling on him once again to explain his calculation. I do not want names. I do not want them to list the names of individual private sector employers. But would the Minister tell the House how much of his \$15 million net projection for this Budget year from the payroll tax, he is expecting to get from private sector employers in this Province. How much from the Public Utilities, from the mining companies and from the host of other businesses with payrolls exceeding \$300,000 a year? How much in aggregate is the Minister of Finance expecting to get from private sector employers?

Mr. Speaker, according to the information I have, given that the

Minister will be compensating or reimbursing Provincial Government employers which are largely dependent on the Province for their revenue, given that the fishing and newsprint industries will not have to pay, the rate for them is 0 per cent, and given employers with payrolls under \$300,000 a year are exempt, he will probably only get \$5 million to \$7 million from the payroll tax this year. That means this Minister of Finance's Budget bottom line is wrong by \$8 million to \$10 million - red ink, Mr. Speaker. The Minister of Finance's Budget is wrong by \$8 million to \$10 million.

The Budget Estimates are supposed to reflect educated, informed, honest and complete guesses of Government revenue and Government expenditures for the next year. This Minister has admitted, in his confused way, that the Estimates he presented here a month and a half ago are wrong; he has admitted that on the expenditure side Health and Education institutions have not been given provision for paying the payroll tax, which is going to be levied on them. What I am calling on the Minister to do now is give us the correct figures, explain the true estimate of payroll tax receipts for this budget year, and tell us what legal mechanism he is going to use to correct his Estimates before they are passed by this House of Assembly.

Mr. Speaker, the Leader of the Opposition talked about the payroll tax as being a bad tax. It is a bad tax, it is not related in any way to the ability to pay of taxpayers or employers. It is a regressive tax.

Finally, Mr. Speaker, the Minister

of Finance continues to mislead people when he says there was no other tax increase this year. Through measures he announced a year ago, he is collecting over \$80 million additional from the citizens of this Province. I remind him of his 2. increase in the personal income tax rate, his increase in corporate tax rate, his increase in the ad valorem gas tax and his removal of the \$30 million subsidy to Hydro for rural electricity. So this Minister is gouging the people of the Province and pretending otherwise.

Finally, this Minister is laying off most of the gasoline and tobacco tax inspectors, who are responsible for bringing in about \$150 million a year from those taxes, and that is going to lead to revenue loss.

MR. SPEAKER:
Order, please!

Will the hon. Member conclude her question?

MS VERGE:
Thank you, Mr. Speaker.

The hon. the Minister of Finance.

DR. KITCHEN:
Mr. Speaker, our estimate, as I said earlier in the House, and I have said it many times from the very first day we presented the Budget, was that the net amount we expected to raise this year from the payroll tax was \$15 million. I have had that figure checked and rechecked and the figure is \$15 million. Now, I do not know where the hon. Member has got her figures, if she consulted her Ouija board or what. I do not know where she got the figures. I have faith in the civil servants, the public servants who work in

the Department of Finance, public servants I did not hire, who were there when I went there. But they are great public servants. They go over the details with me and they tell me that \$15 million is the best estimate, and I accept that.

As far as the Member is concerned, she asked for a very convoluted answer. She says I wanted an aggregate, and then she wants it broken down by certain sectors. I am not to sure which one. I am not going to break it down like that. I am going to say \$15 million, and that is the way it is going to go. I would like to ask her where she got this \$7 million or \$8 million. I told her where my figures came from. Now, where do yours come from? I do not know where they came from. It was certainly no leak. I do not know where she got the figures. The figures are \$15 million this year and \$25 million next year. She could be right. It could be. If this Province goes bottom-up this year, then the payrolls will not be there; it could be we will not get \$15 million. But looking at the economy, the way the public servants in the executive group have put together that statement on the economy and what our own fiscal policy people have been able to put together about the state of the economy, we feel, based on these numbers, that this \$15 million is a pretty reliable number. To say any other number would be away from that general estimate, so we have to stick with that number.

Now, perhaps, if things go really well, we will get more than \$15 million. But that is the best estimate we can give. I do not know why we want to be quibbling about that. You might even ask me

what about the Retail Sales Tax. Your are expecting \$570 million on the Retail Sales Tax. What about that? Is that going to go up or going to go down? Maybe you have your own budget estimates on the Retail Sales Tax. What about the corporate income tax? How much are we going to get from rabbit licences this year? There are many things we could quibble and ask about. We do these things and we come up with answers.

SOME HON. MEMBERS:

Oh, oh!

DR. KITCHEN:

Mr. Speaker, I indicated before that I felt like Daniel in the lion's den. Could you tranquilize them or something? Thank you very much. It is nice to see them tranquilized once in awhile. It is great!

I think I will stop there, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

On motion, the House at its rising adjourned until tomorrow, Friday, at 9:00 a.m.