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VERBATIM REPORT
(Hansard)

Speaker: Honourable Thomas Lush

The House met at 9:00 a.m.

MR. SPEAKER (Lush):
Order, please!

Statements by Ministers

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
Mr. Speaker, I am pleased to inform the Honourable House that Their Excellencies the Governor General of Canada and Mrs. Ramon Hnatyshyn will pay an official visit to this Province on May 14th and 15th.

This will be the first visit to Newfoundland by the Governor General since he was sworn into office on January 29th of this year and we look forward to extending a warm welcome to the new Vice-Regal couple.

Following the official welcoming ceremonies in front of Confederation Building on Monday afternoon, May 14th, Their Excellencies will be invited to visit this Honourable House in session, and I am sure all Honourable Members will look forward to this historic occasion.

Other special events planned for the Vice-Regal couple will include a reception and dinner at Government House, a civic reception hosted by the Mayor of St. John's at City Hall, and a luncheon with the members of Executive Council. A more detailed programme will be released to the public as soon as all protocol arrangements have been completed.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:
Thank you, Mr. Speaker. I am sure I speak for all Members on this side of the House when I join with the Premier in saying how delighted we are to know that Their Excellencies will be visiting Newfoundland starting on May 14th. We certainly look forward to the visit. The first official visit to the Province of Their Excellencies since His Honour was sworn in as Governor General of Canada. And I know that people of Newfoundland and Labrador look forward to the visit and will ensure that a warm welcome is accorded the Vice-Regal couple.

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

DR. GIBBONS:
Thank you, Mr. Speaker. I would like to advise the Honourable Members of this House of a change in policy which has been adopted by Newfoundland and Labrador Hydro with regard to small hydroelectric developments in the Province. At present, Newfoundland Hydro only relinquishes its franchise water rights on projects of 1 MW or less, for example the Mary's Harbour project in Labrador.

The new policy, which is effective immediately, is that Newfoundland and Labrador Hydro is prepared to relinquish its franchise right, when appropriate, on any hydroelectric project up to a maximum size of 10 MW's at a 60 per cent capacity factor. This would mean, for example, that in the future, projects such as the 8 MW Paradise River project on the Burin Peninsula, which cost about

\$24 million, could be built by the private sector and/or local groups rather than Hydro itself.

Mr. Speaker, in addition to permitting the private sector to develop sites up to 10 MW in size, Newfoundland Hydro is also prepared to purchase the resulting energy, on a long-term contractual basis, provided the cost is not above Hydro's alternatives. The exact pricing formula would have to be worked out to take into account all relevant factors regarding a specific project but a long-term contract from Hydro to purchase the output should be a significant help to private developers in arranging the necessary financing.

Newfoundland Hydro is also prepared to consider proposals from developers for projects larger than 10 megawatts in size but would only be prepared to relinquish the rights if, after careful review, it was determined that Hydro itself did not intend to develop the project over a reasonable period of time.

Mr. Speaker, this new policy of Newfoundland Hydro will provide a very significant opportunity for the private sector to invest in the production of hydroelectricity in the Province and it is hoped that a number of projects can be initiated over the next several years. Needless to say, Government is pleased that this new policy has been adopted by Newfoundland Hydro as it will open up opportunities for local groups to develop our resources.

MR. HEWLETT:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for Green Bay.

MR. HEWLETT:
Thank you, Mr. Speaker.

Given recent rate hearings at the Public Utilities Board, Mr. Speaker, especially with regard to the profits of Newfoundland Light and Power, suggestions from some people that maybe the entire production of hydroelectricity should be nationalized. I received this statement with a degree of caution. There were a number of environmental objectors to the eight megawatt site at Paradise River and we have to be careful that a lot of our small and medium sized rivers are not dammed to provide electricity to the detriment of the environment. While I realize that a small company could probably do Paradise River project on a more cost efficient basis than a monolithic company like Newfoundland Hydro, I do have an environmental concern at about a proliferation of such sites. Certainly environmental impact statements would be necessary on them all.

One wonders as well if private companies involved would be allowed by the Public Utilities Board greater levels of profit to Newfoundland Hydro as in the case of Newfoundland Light and Power, and this is not necessarily good for consumers. Mr. Speaker, let us not dam all our small rivers, let the Government repair its relations with the Province of Quebec and get on with the Lower Churchill development. Thank you very much.

MR. FLIGHT:
Mr. Speaker.

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

MR. FLIGHT:

Thank you, Mr. Speaker.

Mr. Speaker, the House will recall that I think in the first week of December, if not indeed the first day of December, Abitibi-Price announced the shutdown of No. 6 Machine in its Grand Falls mill. The announcement caused, and understandably so, a great deal of uncertainty and anxiety in Central Newfoundland. The Premier immediately struck a Ministerial Committee made up of the Ministers of Employment and Labour, Development and myself to deal with all aspects of the shutdown of No. 6.

The first role of that Committee, Mr. Speaker, was to help facilitate an acceptable separation agreement for the workers affected. The settlement was effected and I might say, Mr. Speaker, that both the union and management expressed some appreciation for the role that Committee played. Another priority of the Committee was to determine Abitibi's commitment to the long-term future of mill to determine its plans for restoring, rebuilding or any expenditures they have foreseen in the - just a short preamble to the statement - that they have seen with regards to their commitment to the long-term viability and future of the mill. During those various meetings with the Committee, Mr. Speaker, Abitibi indicated an expenditure of over \$100 million over a ten year period. I subsequently announced in detail Abitibi's intentions, their spending schedule, and with regard to their future, rebuilding and modernization plans. Mr. Speaker, understandably so, again, there was some skepticism with regard to some of the announcements, and it

is from that background, Mr. Speaker, that I am pleased to make the following announcement.

I want to announce to this hon. House this morning that Abitibi-Price has approved the construction of an \$11.5 million effluent clarifier at its Grand Falls newsprint mill. Construction will begin as soon as final engineering details have been completed. This confirms a part of the capital expenditure plans outlined to the task force of Ministers at meetings with senior officials of Abitibi-Price earlier this year. This major expenditure is evidence of the companies commitment to environmental improvements at Grand Falls. The company states, 'The installation of the clarifier in conjunction with the existing wood room effluent treatment system will allow the mill to conform to a requirement outlined in an agreement between the Provincial Government and the company to reduce suspended solids to thirteen kilograms per ton by June 1991. The House will note that that is just in a little over a year.

Mr. Speaker, this announcement is welcome news for the people of Central Newfoundland, as it is surely welcome news for the Government of Newfoundland. It is one step in the process of restoring the Grand Falls mill to a more solid foundation for the future, and with the co-operation of labour, management, and Government, I am sure this goal can be achieved.

Thank you, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

Mr. Speaker, I have to say at the beginning that it is rather interesting that the Minister preambled his Ministerial Statement.

The preamble was lengthier than his statement and of course he did not provide us with a copy of his preamble, so we were a bit taken aback by what he was reading because we did not know what he was talking about. Nevertheless, it became evident after he finished his preamble, it became very evident that it was a very weak attempt by the Minister to try to give some credibility to this Cabinet Committee that was established, I suppose nearly five months ago by the Premier in this House, December 18th, because this particular Cabinet Committee has not even been to Grand Falls yet to meet with the people who are affected out there. They have not even been out there to meet with the people who are affected, so I mean it has been nothing short of a farce, this particular Cabinet Committee.

Now Mr. Speaker, the announcement, the so called big announcement by the Minister is really old news, it is all old news and he should know it full well, but I guess again it is an attempt to give some kind of an impression that something is happening. This agreement, this announcement from the Minister this morning that Abitibi is going to spend \$11 million on this environmental improvement is part of a requirement that was reached in an agreement between the previous Administration three years ago I

think it was, three years ago between the company and the Government, and that requirement was announced then three years ago that they were going to do this, so he is obviously going to attempt to drag up anything he can to try to make it look as if something positive is happening. His statement I guess says it all. It is one step in the process of restoring the Grand Falls Mill to a more solid foundation for the future, but the question that the people in Grand Falls have been asking is what about the future of Abitibi in Grand Falls, and the Minister has still failed to answer that.

MR. FLIGHT:

Mr. Speaker, on a point of order.

MR. SPEAKER:

On a point of order, The hon. the Minister of Forestry and Agriculture.

MR. FLIGHT:

Mr. Speaker, I am sure the hon. Member for Grand Falls did not mean to deliberately mislead the House when he stated emphatically that the Committee of Cabinet have not been in Grand Falls. I want to assure the House, Mr. Speaker, and inform the Member that the Deputy Ministers have been in Grand Falls on various occasions preparing the reports for the Ministers, and the Ministers met in Grand Falls, Mr. Speaker - I want to set the record straight - met in Grand Falls with all the unions affected including the International Leadership in Grand Falls at the Mount Peyton Hotel, shortly after the Committee was struck, and I want to set the record straight because I think it should be.

MR. SPEAKER:

Order, please!

There is no point of order, it is just a point of clarification that can come at a later point. This is not the appropriate place for it.

AN HON. MEMBER:
(Inaudible).

MR. SPEAKER:
I have ruled, there is no point of order.

MR. SIMMS:
A point of order.

MR. SPEAKER:
A point of order.

MR. SIMMS:
My point of order is that the Minister is misleading the House too, because what I said was the Cabinet Committee have not been out to meet with affected workers.

MR. SPEAKER:
Again, there is no point of order.

The hon. the Minister of Health.

MR. DECKER:
Mr. Speaker, on behalf of my colleague, the Minister of Employment and Labour Relations, I would assume her eyesight is better than mine as this was done in her office. I usually have the big print. If I am squinting it is because it was not typed by my secretary.

On behalf of my colleague the Minister of Employment and Labour Relations I would like to highlight for this hon. House and for the public attention that Government has proclaimed April 28, 1990 as a Day of Observance for workers killed, injured or disabled on the job.

For the past several years, the Canadian Labour Congress has observed April 28th as a day to draw attention to the sacrifice which many of our workers have to pay in earning a living for themselves and their families. The Minister responsible for occupational health and safety, has asked that I indicate the support of herself, her Department and Government generally, for efforts directed at ensuring that effective measures are put in place to alleviate such suffering. The Minister is not in the House of Assembly today, in fact, because she is attending a Newfoundland Industrial Health and Safety Association convention in Gander.

We are very conscious that effective occupational health and safety standards should be in place not only to prevent such tragic loss of life and disability, but also to ensure that fair and equitable compensation programs exist to protect workers and their families where such tragedies do occur.

Our occupational health and safety legislation contains three important provisions designed to assist workers in preventing injury and disease on the job. They are: the right of workers to refuse to work in unsafe places; the right to be informed of existing or potential job hazards; the right to participate on joint workplace health and safety committees.

These provisions provide a significant deterrent to unsafe and unhealthy working conditions. I bring this to the attention of all hon. Members to encourage them to focus on the workers and their families who have suffered from

workplace accidents and to highlight the effort by Government, workers and employers, to reduce those unfortunate occurrences.

It is appropriate that today we renew our common commitment to making workplaces of this Province safer and healthier and that management, labour, and Government, work together to bring about accident-free workplaces.

Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Member for Harbour Main.

MR. DOYLE:

Thank you, Mr. Speaker.

We certainly would want to associate ourselves, Mr. Speaker, with the announcement made by the Minister in the observance of April 28, as a day of observance for workers killed and injured in the workplace. It is a very important proclamation the Minister has made. Too often, of course, we do not fully appreciate the dangers in the workplace and we always have to be cognizant of the need to maintain very high levels and very high standards of safety on the job. It is incumbent on each and every one of us, and it is especially incumbent on the Government to be very, very supportive of workers and employers who initiate these types of programs.

The construction industry, of course, is an industry that immediately comes to mind as one that has a very hazardous working environment. We not only have to

be aware of the heavy financial costs of accidents in the workplace, but we have to be aware, as well, of the human cost involved.

Now, I do not want to throw a wet blanket on the statement made by the Minister today, because it is a very, very positive statement, but if there is one inconsistency in what the Minister is saying today and in what the Minister, or the Government, is actually doing, it has to be in a report that is coming out of Gander, which is the convention the Minister of Employment and Labour Relations is attending, the Newfoundland Industrial Health and Safety Association Convention. The 400 delegates at that convention, Mr. Speaker, have learned over the last couple of days that the Government is cutting approximately \$40,000 from the budget of the NIHSA, the Newfoundland Industrial Health and Safety Association. So there is an inconsistency. The Government is proclaiming April 28 as a day of observance for workers on the job who are in very hazardous working conditions and, at the same time, they are cutting funding to this particular association.

MR. SPEAKER:

Order, please!

The hon. gentleman's time is up.

MR. DOYLE:

Mr. Speaker, we hope the Government will see fit, after this convention is over this weekend, to reinstate that funding.

SOME HON. MEMBERS:

Hear, hear!

Oral Questions

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

Yesterday, in this House, we were able to ascertain that the Chairman of the Economic Recovery Commission, Dr. House, had, on March 22nd, written to the Federal Minister of Fisheries and Oceans, Mr. Valcourt, with a detailed list of specific development projects for Newfoundland and Labrador for, to use Dr. House's own words, 'I am taking the liberty of writing to you about our Government's response to the current severe resource crisis that confronts the fishing industry in this Province.' That was the gist and the purpose of the correspondence.

Mr. Speaker, I want to ask the Premier this question. Could the Premier tell the House whether or not the focus of Dr. House's proposals to the Federal Government was to provide economic development alternatives for communities where fish plants have already been announced for closure in a few months time, or other closures that will likely occur in the future, or were the proposals which were submitted by Dr. House actually a development wish list for the whole of Newfoundland and Labrador?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

None of it is right or accurate,

Mr. Speaker. Dr. House came to me and suggested, in fact, that he write the Prime Minister. Dr. House is the Chairman of the Economic Recovery Commission, and he wanted to draw the attention of the national Government to the needs in this Province. He himself was participating, along with the Members of the Provincial Government Task Force on fisheries response, and had been having meetings and putting forward proposals, so I suggested that if he wished, a more appropriate way to do it would be for him to write the new Minister of Fisheries. Really it was on that basis that he did so, but the original draft of the letter that I saw, in fact, if I recall correctly, was directed to the Prime Minister.

The Province put forward its own proposals in varying negotiations and discussions, and the agreement the Province made with the Federal Government, with Mr. Crosbie at the time, in early January, was that the two Task Forces would work together and jointly develop - this was to be developed jointly, on a joint basis - a proposal for dealing with the fisheries. And that is what they were doing, until about the end of February.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Mr. Speaker, I come back again to the question I just asked the Premier and quote again the following sentence from Dr. House's letter. 'I am taking the liberty of writing to you about our Government's response to the current severe resource crisis that confronts the fishing industry in this Province.'

Now, I must ask the Premier again, Mr. Speaker, out of the several development project proposals Dr. House proposed to the Government of Canada for consideration, were those proposals focused on communities where plants are closed and are announced to close and will close in the future, or was it just a wish list for the whole of the Province?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, to the best of my knowledge they were not focused on the communities concerned - they were not focused. Dr. House has a responsibility for economic recovery in small and medium-sized business and enterprise activities throughout the whole of the Province and not just the communities where fish plants were closed. But he has a particular responsibility there as well. But, to the best of my knowledge, it was not focused on them and was not intended to be.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Mr. Speaker, Dr. House's own letter makes it clear that he is writing to respond about our Government's response to the current severe resource crisis that confronts the fishing industry in this Province, and that affects a number of communities, Mr. Speaker.

Now, Mr. Speaker, would the Premier confirm to this House that Dr. House's proposals contain nothing for Grand Bank, nothing for Gaultois, nothing for Trepassey, nothing for

Twillingate, they contained nothing; those proposals contained nothing for those communities where fish plants have already closed down or will close down over the next several months, that this package really is a design to gut rural Newfoundland and Labrador and to force resettlement from those rural regions to the urban areas of Newfoundland and Labrador? Is that not what this is all about?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

No, Mr. Speaker. The Leader of the Opposition is totally wrong and is totally misguided in his proposition on the matter. Dr. House was not focusing on those communities; Dr. House was not saying these are the proposals put forward for those communities, but neither was he excluding those communities. And to deal specifically with the question of rural Newfoundland and Labrador, Mr. Speaker, he should go back and talk to the master from whom he is now taking instructions. I know they are running interference for the Federal Government. Because they are not likely to come up with a proper proposal to deal with the fisheries crisis, the Opposition is now running interference for their Federal friends, or, at their request, they are trying to pretend that the Provincial Government is not doing what it should.

I can tell you, Mr. Speaker, that my great difficulty is persuading the Federal Government to give emphasis to rural Newfoundland. I have to fight constantly with Mr. Crosbie to give emphasis to rural Newfoundland. It is an ongoing struggle that I have with Mr.

Crosbie, to give emphasis.

MS VERGE:

Give us the evidence.

PREMIER WELLS:

I will produce the evidence, and again you might rush to change the party name when I do produce the evidence.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Order, please!

I have to point out to all hon. Members that Question Period is not a forum for debate. Question Period is a period to solicit information, and I want hon. Members to remember that.

AN HON. MEMBER:

It was just getting good.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

Mr. Speaker, if the Premier thinks he is going to deter us from doing our job in pointing out the incompetence of this Government, then he has another thought coming to him. He can make all the innuendo and the veiled threats he likes, the questions are going to keep coming.

Now, Mr. Speaker, let me ask the Premier -

MR. SIMMS:

He is a master at it.

MR. RIDEOUT:

Yes, he is a master at it. We said yesterday what the Premier is

a master at, Mr. Speaker, deflecting it.

Now, Mr. Speaker, let me ask the Premier this: Would the Premier confirm that out of a package totalling \$443.2 million, submitted by Dr. House to the Federal Minister on March 22, a total of \$64.6 million or less than 16 per cent of that total package, the total dollar value of less than 16 per cent - you would have to stretch your imagination to even find that amount - less than 16 per cent of the total package actually were fisheries related projects? And does this not confirm, Mr. Speaker, that the view of this Government is that the fishery is dead; that the fishery is not worth propping up in Newfoundland and Labrador; and is not the message to hundreds of communities and thousands of people in this Province that you had better be prepared to be uprooted, you better be prepared to move, you better be prepared to get out of rural Newfoundland? Is that not the message from the document, Mr. Speaker?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

No, Mr. Speaker. The message is just the opposite. I have already emphasized again and again, in answer to the hon. Leader of the Opposition's question, that this was not a letter written by Dr. House to deal specifically with fisheries matters. Dr. House was writing -

AN HON. MEMBER:

That is what it said.

PREMIER WELLS:

Well, I disagree. That is the Member's interpretation of it.

But I will read -

AN HON. MEMBER:
(Inaudible).

PREMIER WELLS:
It does not, and what the hon. Member quoted does not say that. It was not intended to -

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

PREMIER WELLS:
Mr. Speaker, Dr. House is addressing his responsibility in terms of economic diversification. Maybe hon. Members opposite cannot really grasp this concept, maybe they cannot understand the concept, but one of the things this Government identified eight months ago and put before the Federal Government was the need to diversify economic opportunities to prevent the total reliance of this Province on fisheries. We cannot have our population virtually totally reliant on fisheries; we have to diversify opportunity. Maybe Members opposite do not understand that.

AN HON. MEMBER:
They do not.

PREMIER WELLS:
Maybe it will take another few years, or another election or two, before they come to understand it. But, Mr. Speaker, that is the purpose and thrust of it. I say, and emphasize again, that this Government is putting in place, for the first time in eighteen years, a commitment to rural Newfoundland to provide for economic development in rural Newfoundland.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
One of the problems I have is dealing with the cohorts of the Members opposite, in Ottawa, in particular with Mr. Crosbie, in getting an commitment to support rural Newfoundland. Every time I turn around to try and give some emphasis to rural Newfoundland, I run into resistance in that direction, who wants to concentrate everything in the capital city area. Well, we cannot do that. We have to develop rural Newfoundland and provide for economic development in other areas of the Province.

MR. SIMMS:
Nobody can get along with you, boy.

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

MR. RIDEOUT:
Mr. Speaker, I think it is becoming more and more obvious every day that nobody can get along with this Premier.

I come back to the letter and the Premier's statement. It will be a very long, long day in the future before you see the unemployed workers from Grand Bank or Gaultois coming out over the White Hills ski resort in Clarenville, Mr. Speaker. That is economic diversification.

I must quote for the Premier again. Dr. House says, 'I am taking the liberty of writing to you about our Government's response to the current severe resource crisis that confronts the fishing industry in this Province.' The Premier says Dr. House did not say that, but there

it is in black and white. Would the Premier tell the House, if this wish list is, in fact, accepted by the Government of Canada, what answer does the Premier have for the people of Grand Bank? What answer does he have for the people of Gaultois? What answer does he have for the people of Twillingate? And, next year, if there is a further reduction and further plant closures, what answers will he have for the people in Burgeo, the people in Triton, or the people in other places where plants are closed down? The people, Mr. Speaker, deserve an answer. What answer does the Premier have for those people?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, I am hesitant to provide the detail of the proposals we have put to the Federal Government, and hesitant to suggest one of the things we have in mind for the Grand Bank area of the Province, for example, - the hon. the Leader of the Opposition mentioned Grand Bank - because I am afraid the Federal Government, even though it may not cost them a cent to do it, the Federal Government may resist, because thus far they have resisted doing it. It is within their power to make it available for us to provide real opportunity for economic development, not only in Grand Bank, but in other areas of the Province. But the Grand Bank area, affected by this shutdown, is an area that could particularly benefit from this particular proposal. So far we have gotten no positive response from the Federal Government, even though that proposal might not cost them any significant dollars.

I am hesitant to discuss it at the moment, because I have to be reasonably courteous to the Federal Minister to whom we have submitted these detailed proposals. I have to be reasonably courteous to the Minister with whom we are dealing, Mr. Speaker, but the proposals have been put forward and they have been put forward in detail.

Contrary to what the hon. the Leader of the Opposition says, this was just Dr. House doing this of his own merit. He was not putting forward the Government's position, he was putting forward proposals for economic development. The Government itself put forward, during detailed discussions through the Committee, proposals for economic diversification, proposals for dealing directly with fisheries enhancement and improving the viability of fisheries, and, in the end, we put forward a detailed written proposal.

MR. SIMMS:

When? Three weeks ago?

PREMIER WELLS:

About three weeks to a month ago.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Mr. Speaker, it is interesting to see the Premier try to skate away from his economic czar who says, 'I am responding to give you our Government's response.' Those are the gentleman's words, Mr Speaker.

MR. SIMMS:

Tell him what he said. Read it again.

MR. RIDEOUT:

'I am taking the liberty of writing to you about our Government's response to the current severe resource crisis that confronts the fishing industry in this Province.'

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. RIDEOUT:

That is exactly what he said. Now, Mr. Speaker, the truth is starting to hurt over there this morning. Normally you have one jumping at you, this morning you have a half dozen over there jumping at you. The truth is really getting through to them this morning, Mr. Speaker.

MR. SPEAKER:

Order, please!

I have pointed out to hon. Members in the past, and I point out again, the difficulty when we get interjections and interruptions; it makes it difficult for the Chair, or at least the person in the Chair, to follow the developments. I would ask hon. Members to please co-operate and refrain from interrupting either the person asking the question or the person answering the question.

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

With all of them coming at me at the one time, I really need Your Honour's protection this morning.

Mr. Speaker, Dr. House made another startling statement in this particular document of March

22, to the Federal Minister of Fisheries. It is contained in the second last paragraph of his letter, and lest the Premier or the Government House Leader jump out of their skin and accuse me of quoting something wrong, let me read what Dr. House had to say. I quote: 'Many plants are on the verge of bankruptcy, including several which have operated successfully for years. If they all close, thousands of plant workers and fishermen will become unemployed. The Provincial Government is attempting to establish guidelines to discriminate between plants which are in difficulty due to the resource crisis through no fault of their own, and those which are examples of poor management and genuine long-term overcapacity. We need to save the former for the sake of the long-term viability of the Newfoundland fishing industry and for the communities and people that depend upon it. A special Federal/Provincial Fish Plant Emergency Program is needed immediately to deal with this crisis.'

MR. SPEAKER:

Order, please!

I would like to remind the Leader of the Opposition of our own Standing Order 31(d): 'Oral questions must not be prefaced by the reading of letters, telegrams, newspaper extracts or preambles of any kind.' I refrain from doing that normally, but the Leader of the Opposition is on to a supplementary and it seems as though his quotation is a rather lengthy one. I would ask the Leader of the Opposition to try and proceed to his question.

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

I appreciate Your Honour's ruling, and I certainly will concur with it.

'The plants need help to keep operating until the resource recovers.' That is quote unquote, Mr. Speaker, from Dr. House's letter.

Let me ask the Premier, in view of the fact that the Minister of Fisheries has stated publicly that the reason for the failure of Oceana Seafoods in Twillingate was because of the lack of resource, why did not this Government, consistent with the philosophy outlined in this particular paragraph, provide financial assistance to that Company so it could operate this year?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Thank you, Mr. Speaker.

Just to set the record straight, the Leader of the Opposition read a major paragraph from Dr. House's letter but he left out the first sentence of it; he picked it up only at the second sentence. Here is what the first sentence of the letter says: 'The second crucial issue that is not being adequately addressed is the present plight of inshore fish plants and fishermen in several regions of the Province, and the Federal Government again has been failing miserably to discharge its responsibility and address that crisis.' We have been pressing them to do it and taking the burden in this Province, Mr. Speaker.

Mr. Speaker, the Government has, in every single case where any fish plant has sought help, looked at it in detail. In every case where a fish plant is deserving of help or a community can be helped or job opportunities can be saved on a reasonable basis, this Government has helped and will continue to help. The Government will not, however, take taxpayers money and pump more and more and endless dollars into it with a virtual certainty that it will not succeed, or that it will just get into further financial difficulty. That is called the Sprung syndrome, Mr. Speaker, and we abandoned that approach.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

Mr. Speaker, the Minister of Fisheries, in threatening to resign, did not call it a Sprung approach, did he?

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Mr. Speaker, re the paragraph I just quoted for the Premier, let me ask the Premier this: Is it the policy of the Government to allow the future of the fishing industry in Newfoundland and Labrador, particularly those small seasonal plants, to be decided by this kind of approach? Secondly, Mr. Speaker, who is going to make those decisions? Who is going to do the assessments to determine whether there is a management problem, whether the real problem is a resource problem, and, in that case, you are going to try to help them over the hump? Who is

going to do all this? Is it going to be Dr. House? Is it going to be outside consultants? Who is going to perform this major assessment of all small inshore fish plants around the Coast of Newfoundland and Labrador?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

It is not a question of who is going to, the real question is, who has been? And I will tell the hon. Member who has been. We have used a combination. Every proposal that comes from a fish plant for help is, in fact, put forward by three Ministers, the hon. the Minister of Fisheries, the Minister of Finance and the Minister of Development, and they do an assessment. In some cases, it is helpful to have the views and opinions of NLDC or the Economic Recovery Commission; it is always helpful to have the views and opinions of the people in Finance, who do an assessment.

Mr. Speaker, I should say we have probably gone one step further. Here I am probably jumping ahead of myself, and I might be jumped upon by my Cabinet colleagues for giving out something that we are not really ready to announce. But we have just recently decided that we would take the matter one step further, and that it is now advisable to put in place people, competent individuals who will not just go and look to plants after they get in trouble, but once Government agrees to help a plant, individuals who will take action immediately to help guide that plant into the use of the funds. Now, that decision has been taken, too.

SOME HON. MEMBERS:

Hear, hear!

MR. MATTHEWS:

That is not new.

PREMIER WELLS:

It is. It has not been in place before, and that is part of the reason why some of these plants have been getting into the trouble they have been, and Government guarantees have been wasted and not put to proper use. So, Mr. Speaker, those steps are being taken to ensure that the maximum level of help possible is being given to fish plants.

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

Thank you, Mr. Speaker.

Mr. Speaker, I was thrown a bit off track when the Premier made the comment about being afraid some of his Ministers might jump on him.

MR. RIDEOUT:

I think the reverse is true over there.

MR. SIMMS:

I think about the only one over there who might have the courage to do that is the Minister of Social Services. I cannot think of any others.

Mr. Speaker, I want to ask the Premier a question, as well, related to the Economic Recovery Commission. Since the objectives of the Economic Recovery Commission, at least as I understand them, include the fostering of economic development,

assisting in the maintenance of jobs, and, indeed, to encourage the creation of new jobs here in the Province, can the Premier advise this House if the Economic Recovery Commission has recently made a purchase of several dozen computers valued at \$5,000 to \$7,000 each, I am told, from a mail order computer firm whose office is located in Ontario, not here in Newfoundland, a firm, in other words, which has absolutely no presence, no employees here in this Province?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, I do not know the answer off the top of my head, but I will take the matter under advisement, determine what, in fact, was done with respect to the purchase of computers, and advise the House.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

Mr. Speaker, I have a supplementary to the Premier. In view of the fact that he is going to investigate this suggestion, or this allegation, I guess, of the purchase by the Economic Recovery Commission of bulk orders, can I ask him further to check, or to confirm or deny if he knows that in fact hundreds of these same computers - hundreds - have been ordered and purchased by various Government departments in total, in the same way, not giving local companies who are in the business the opportunity to bid, those same local companies, of course, who employ and create jobs here? Could the Premier check that, as well, or is he aware of an answer

to that?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Well, my recollection of the Public Tender Act is that anything over \$5,000, you have to go to public tender. I assume purchases are done in that way. If they are not, I will want to know why. But I will have that checked too. I just assumed it was done by public tender.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

I have a final supplementary, Mr. Speaker. The Premier is right. The Public Tendering Act does provide for that. The problem is, and I think he will find if he investigates - and this is the reason I raise the question, in the hope that he will investigate it - that the purchase of these computers could be done from a standing offer, but a standing offer, as I understand it, is meant for emergency purchases or smaller purchases or whatever.

What is happening, as I understand it, large bulk orders have been made, representing thousands of dollars, and the local companies, therefore, do not get a chance to bid on it, obviously, because they are not on the standing offer, you see. So the Premier, when he investigates it, may find that is what happened, it was purchased from the standing offer. My question is, therefore, if that is what he does find, would he then bring in a policy or initiate a policy within the Cabinet to instruct Government Departments and Agencies that if purchases are

going to be large and bulk, such as the ones I have described, would he instruct those Departments and Agencies to put them out on separate tender bids so that local companies can have a crack at it? That is basically what the question is, and what the point of the questioning is.

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, it is not a question of putting that policy in place, that policy is in place now. I would have thought the former Government had it in place too, but I am not sure. I will certainly check that. There is no question about what the Government's policy is. I do not know what Government agencies may or may not have done, and if they are doing that behind the Government's back, we will soon correct it. The Government wants to ensure that people in this Province are given a fair crack at all business opportunities. And while we must comply with the Public Tender Act and we must protect the interest of the taxpayers, we cannot just give a lone supplier in this Province a blank cheque because he happens to be a supplier in this Province. We must comply with the Public Tender Act, and we will, Mr. Speaker.

MR. HEWLETT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Green Bay.

MR. HEWLETT:

Thank you, Mr. Speaker.

Mr. Speaker, for years the Liberal Party of this Province urged us to

sign a Trudeau/Chrétien style offshore agreement which made us observers at the offshore negotiating table. Will the Minister of energy now admit that it is far better to be a real participant at the bargaining table because of the PC Atlantic Accord?

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

DR. GIBBONS:

Mr. Speaker, I am not sure exactly what the question is, but certainly the negotiations relative to the offshore are going fairly well. We are not there yet, and I hope we can make progress and conclude an agreement in the next couple of months.

MR. SPEAKER:

The hon. the Member for Green Bay.

MR. HEWLETT:

Mr. Speaker, in the Energy Estimates Committee the Minister would not say if Government was seeking the accommodations service super module in the current round of negotiations. Will the Minister now confirm that that is the module we are after, what it concerns, or is it merely, as someone suggested, a glorified offshore hotel?

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

DR. GIBBONS:

No, Mr. Speaker. I am not going to confirm what is in our package, but we have said publicly, both the Premier and I have said publicly, that we want at least one super module built in Newfoundland and we are sticking to that position.

MR. SPEAKER:

The hon. the Member for Green Bay.

MR. HEWLETT:

Thank you, Mr. Speaker.

Given that Federal Liberals consistently refused us an Atlantic style offshore Accord, and given that Mr. Chrétien, by everything one reads and sees on the TV, could possibly become Prime Minister, has the Minister -

SOME HON. MEMBERS:

Hear, hear!

MR. HEWLETT:

Mr. Speaker, I said possibly become Prime Minister. Has the Minister pursued constitutionalization of the Atlantic Accord? We tore up the Meech Lake Accord, could not Mr. Chrétien, if he should become Prime Minister, tear up our Atlantic Accord?

MR. SPEAKER:

Order, please! Order please!

The hon. the Minister of Mines and Energy.

DR. GIBBONS:

Thank you very much, Mr. Speaker. We are all looking forward to 1992 and 1993 with anticipation.

Relative to the Atlantic Accord, we are not at this time actively promoting the constitutionalization of it, but we will be taking steps in that regard.

MR. SPEAKER:

The hon. the Member for Green Bay.

MR. HEWLETT:

One last supplementary, Mr. Speaker. What if an Hibernia agreement and a Meech Lake failure

occurs at roughly the same time, say June this year? That will create tremendous uncertainty in Canada. Is the Minister concerned at all that that also could create some uncertainty with regard to the Hibernia agreement?

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

DR. GIBBONS:

No, Mr. Speaker, none whatsoever.

MR. SPEAKER:

Question Period has expired.

SOME HON. MEMBERS:

By leave! By leave!

MR. SPEAKER:

Before proceeding to the next item of business, I would like on behalf of hon. Members to extend a cordially welcome to an exchange group of forty Concert Band students from Chatelech Secondary School from British Columbia and Booth Memorial High School, St. John's. And they accompanied by their teachers Mr. Derrick Moore, Principal of Booth Memorial High School, Mr. Jack Pope, Principal of the Chatelech Secondary School; Mr. Steve (inaudible), Concert Band Director of the Chatelech Secondary School, I believe I have given that name now three pronunciations, and also parents Marilene Jardin, Linda Sullivan both of British Columbia.

SOME HON. MEMBERS:

Hear, hear!

Presenting Reports by
Standing and Special Committees

MR. PENNEY:

Mr. Speaker.

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

MR. PENNEY:
Thank you, Mr. Speaker.

Mr. Speaker, the Resource Estimates Committee have considered the matters to them referred and have passed without amendment the Estimates of Expenditure of the Departments of Mines and Energy; Fisheries, Forestry and Agriculture; Development and Environment and Lands.

MR. MURPHY:
Mr. Speaker,

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

MR. MURPHY:
Mr. Speaker, I would like to report that the Social Services Committee report that they have considered the matters to them referred and have passed without amendments Items of Expenditure under the following headings; Social Services; Justice; Health; Education. I would want to thank, Mr. Speaker, the Committee Members for their sound, solid questions on behalf of the people of the Province. And I would also like to thank the Ministers for their resounding response.

Thank you, Mr. Speaker.

SOME HON. MEMBERS:
Hear, hear!

Answers to Questions
for which Notice has been Given

PREMIER WELLS:
Mr. Speaker.

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
Mr. Speaker, yesterday in response to a question, I believe by the hon. Leader of the Opposition, but I am not certain, I agreed to seek a list of all of the occasions and meetings and individuals and circumstances proposals for dealing with the offshore. Such a list has been prepared and I do not intent to do read anything from it, but just by way of explanation, Mr. Speaker, I have already made public one document in respect of which the Table of Contents is attached. And that was the document dated August 23.

The other document that was prepared in late March I have not made public yet. It is gone to the Minister of Fisheries and the Federal Task Force has been dealing with it. And we are still awaiting their formal response and I do not consider that it is appropriate that I should make public now the letter that I sent to the Minister on April 2 or that document itself. But I have attached as an Appendix a photocopy of the Table of Contents of that so that it will give hon. Members some idea of what is in it.

Orders of the Day

MR. BAKER:
Motion 1, Mr. Speaker.

MR. SPEAKER:
Motion 1, a continuation of the Budget Speech.

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

Before the hon. Member begins, for

the clarification of the Chair, is the hon. Member continuing or just beginning.

MR. SIMMS:

He just had five minutes on it yesterday.

MR. SPEAKER:

Fine.

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

MR. PARSONS:

Thank you, Mr. Speaker. This is going on now since Wednesday. I think this is about the fifth or sixth time - I do not know if that is a record or not - that I have gotten up. But hopefully today, Mr. Speaker, I can continue for the rest of my allotted time, twenty-five minutes - twenty-seven minutes, Mr. Speaker. If we can keep the Speaker in the Chair, I can continue. The other day I had a little spurt here when the Speaker was absent.

Mr. Speaker, before I go to some highlights of the budget I would like to remind my hon. colleagues that on Wednesday I tried with great difficulty to impress upon the other side of the House how important the seal fishery was to Newfoundland. And before I go ahead with two other items in the budget I would like to remind all hon. Members that this, Mr. Speaker, is our history, our culture, our tradition, and do not ever let us forget it. I mean, it has played a major role, Mr. Speaker, since this Island has been inhabited, and as legislators, we should always bear that in mind. We should always keep in mind how important our resources are, and that is one of our resources. And hopefully, Mr. Speaker, we will receive the

necessary help from Ottawa. But if that help is not sufficient then I believe that the onus is on this Government to pull up the rear, to put sufficient funds to make our seal fishery a viable industry.

Mr. Speaker, we were here in this House on March 15, when the hon. the Minister of Finance brought in his budget. And in that budget the hon. Minister introduced a completely new tax for Newfoundlanders and Labradorians. He was so tight-lipped over that new tax, Mr. Speaker, that it took us a month to finally find out - not through this hon. House, Mr. Speaker, but from the media - what his tax supposedly was all about. Now, Mr. Speaker, he did not clarify it. He tried his best, but there are so many discrepancies in it, Mr. Speaker, we really do not know where he is going to get the \$15 million this year and the \$25 million next year.

He called his new tax the health and post secondary education tax because, Mr. Speaker, he said he intended to raise money for education and health. But, Mr. Speaker, how could you raise money for health and education when you tax the institutions that supply these necessities?

Mr. Speaker, when he introduced the tax he made provision that there were exemptions - forestry, fishery related industries.

AN HON. MEMBER:

Sealing.

MR. PARSONS:

I suppose. I do not know about the sealing part of it. Seeing that is where it is now, there is not much he could tax there. But I guarantee one thing, if there

was a possibility there he would certainly try it. You know the only thing I feel sorry about for the Minister himself, he really did not understand the implications of that tax. And I believe that our finance critic was right when he said there was a budgetary leak. And the Minister scrambled to his feet and he said something has to be done. And the bureaucrats brought up this, and he said this is something that has been there for years, it is a possibility. And he said, 'well.' He looked at it again and had no knowledge of what he was doing. I cannot understand why the Minister of Development, the hon. House Leader, those honourable people certainly had experience, and I cannot see for the life of me, why they allowed this tax to be brought in. In fact the health and education tax, Mr. Speaker, is a tax on health and education. Now what sense does that make, Mr. Speaker? How can you take money in when you tax the same people that you are taking the money in from?

AN HON. MEMBER:

Explain in more detail what you have to say to them.

MR. PARSONS:

Glory be to God! You do not want me to explain it in more detail?

MR. SIMMS:

Say it in baby talk for him.

MR. PARSONS:

Say it in baby talk? Well the first Premier we had used to repeat himself so often because he said people just could not understand what he said so he just kept repeating it. So I say to you now, the school and education tax, nursing homes have to pay, nursing homes are health

subsidized. Nursing homes are taxed, hospital staff are taxed, anyone who has in excess of a \$300,000 payroll.

AN HON. MEMBER:

Hospital staffs are not.

MR. PARSONS:

No one knows, really. The Minister has not been specific. He does not know. There are areas of concern out there in every facet of life, who are going to be taxed and who are not. What I am saying is the Government is giving out with one hand and taking it back from the same people they are giving it to and that is a falsehood. That is an indiscriminate way to collect taxes. The hon. Minister said yesterday he hated taxation and when he brought in his Budget he said there was no new taxes. He was over there beaming and saying what a great Government we have. This is the second year with no tax increases.

MR. FUREY:

Let us go to Quebec City.

MR. PARSONS:

The hon. Minister there says, let us go to Quebec City. He is not going to sway me from my line of thought. I will have to address that. Mr. Speaker, he and I were in Quebec City at one time and he promised me then, he said, if ever - I thought it was far fetched but I listened to him - if ever I go anywhere else, if I ever become a Minister I am going to take you with me.

Mr. Speaker, I do not like to say this because he is a good friend of mine but I read an article in the paper some weeks ago, and I also know that my colleague across the way, the Minister of

Development went to Ireland. I watched him in the House the day he came back and I said that son of a so and so, Mr. Speaker, there he was in Ireland. Some of my ancestors came from Cork and I thought that perhaps I would get a chance to go over there. I was never over there but I will some day. Anyway, he came back and he did not look the part. I thought that he would be beaming, smiling but he was so serious over there as if someone had kicked him. 'Ireland's legendary castles boast ghosts and good hosts.' I read it down and it said, Blarney Castle, home of the storied Blarney Stone, is the most visited castle in Ireland. Then I checked a little further and some of his colleagues said to me, no boy, all that happened to him he could not find the stone and someone gave him a piece of coal. He did not understand until he came home that he never got a chance to kiss the Blarney Stone.

MR. SIMMS:

The Minister of Development?

MR. PARSONS:

Yes, the Minister of Development. Now, I do not know what relationship Ireland would have with development in this Province.

It is only a very small stone.

Mr. Speaker, I will now get back to a more serious part of my speech.

MR. SIMMS:

You can handle points of order and everything, just for a few minutes.

MR. PARSONS:

No problem, no problem at all.

MR. SIMMS:

We are going into the Common Room

to listen to his speech. He can handle it all.

MR. PARSONS:

Mr. Speaker.

MR. SPEAKER:

Order, please!

MR. PARSONS:

Yes, Mr. Speaker, it is time to control those people over there.

Mr. Speaker, the emphasis I have placed on the Minister's tax was that he said this was an education tax and it was a health tax to help alleviate the problems in those areas. But again, Mr. Speaker, he did not have his homework done. He did not realize that in collecting that \$15 million he was going to have to go back and tax hospitals, nursing homes, school boards, post-secondary institutions, and Government Departments alike. He had to tax all of those. He did not realize it until he found out he could not take in the \$15 million. This is when he came up with all of this, or some of his advisors. He was ill-advised to say the least.

AN HON. MEMBER:

What Minister.

MR. PARSONS:

The Minister of Finance.

I believe if he had his time back this would certainly be not included in his budgetary speech.

AN HON. MEMBER:

Oh yes! A higher rate.

MR. PARSONS:

I would not doubt that. I would not doubt that your 1.5 will be 2.5 or perhaps 5 next year. Oh, yes. You will have to, because

there is no way you are going to collect that much money. How do you do it? You are going to bring in warrants to fill the space when you take the money out. It does not make sense. How are you going to apply yourself when you are taxing charitable organizations, churches?

Yes, private social service agencies, school tax authorities. Let me tell you one thing, there is a large school board here in the Province and with the increase - you provided in your Budget speech a 4 per cent increase in the per pupil operating grants to schools. To this Board alone that meant \$197,000 extra. But because of the staff on that School Board, because of the sizeable staff on that School Board, that school board has to pay around \$90,000 on that tax. So it is \$197,000 on the 4 per cent extra to the school board, then he takes back \$90,000 because of the staff. How can you budget? How could the school board budget with that extra 4 per cent. In essence when you boil it all down it is not 4 per cent, it is about 1.7 percent. It is about 1.7 per cent.

MR. SPEAKER:
Order, please!

I would remind hon. Members again that the proper procedure in the House is, when a Member wants to interrupt, the Member should stand and ask the hon. gentleman if he would permit a question. This shouting across the floor is not permitted. It does nothing to enhance the debate and does not help the person who is speaking.

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

MR. PARSONS:

Thank you very much, Mr. Speaker.

And I knew, Mr. Speaker, knowing you for a few years I knew you would come to my rescue. I knew that especially the hon. Minister there in the front row, Mr. Speaker, the Minister of Social Services, I agree with you. He is shocking. You would never hear me do any thing like that, Mr. Speaker. And when you get up to speak I will be over here as quiet as a mouse.

Mr. Speaker, going back to the Minister's Budget again. I remember distinctly the day that the Minister read his Budget. He made a statement saying there was going to be no new tax increases. Who is going to pay the tax in the long run? Who is going to pay this tax? We are taxing Newfoundland and Labrador Hydro, that is going to mean extra increases to you and I, the consumer. It has to be. Who is going to pay it? You charge them, they have to take money out of their budget, they have to come back to bring the budget back to its original size, to its original amount. So who is going to pay it? You and I are going to pay it, Mr. Speaker.

Taxing Newfoundland Light and Power, Mr. Speaker, with our electricity rates now as high as they are, poor people having a job right now to have the money to pay their light bills. Mr. Speaker, the costs are going to be raised in large amounts. Mr. Speaker, it is going to be devastating to the ordinary poor person, the person who has to look at his budget every week and say to himself, you know, 'Can I afford to spend this amount?' There are X number of dollars for lights, X number of dollars for heat, X number of

dollars for groceries. Those are the people affected by this Budget.

Mr. Speaker, going to municipalities, I can see a real trend here. First of all, the Minister of Municipal Affairs talked about a big city, a large city. Now, we are only 560,000 strong altogether, Mr. Speaker, and there is no way we could create a city like Toronto, we just do not have the numbers. But, anyway, the Minister talked about the big city. Everything was going to be big, a big city. But then he watered it down and said, 'We are going to have amalgamation.' 'We are going to have amalgamation,' Mr. Speaker, 'one way or another, by hook or by crook, we are going to have amalgamation.' But, then, the Premier, because of - as his predecessor in Ottawa used to say - his 'just society', he said, 'no, no, I did not say that. You know, I am not going to force people. I am going to let them decide.' But, he also said that really, the decision will be made by the Legislature. Now how foolish a statement! If it is brought in here by the Minister, and there are thirty-one of you and twenty-one of us, and we are against it - and, as the Minister of Health said the other day, there is no way he would go against one of his colleagues, be it federally or provincially, then our objections are for naught. There is no way we can stop amalgamation if, in fact, the Minister carries out what he said in the first instance.

Now, Mr. Speaker, let us go back.

MR. TOBIN:
(Inaudible).

MR. PARSONS:

Mr. Speaker, on \$300,000, and twenty years ago that was a lot of money, but if Torbay, Flat Rock, Bauline, Pouch Cove, Outer Cove, Middle Cove and Logy Bay were to amalgamate -

AN HON. MEMBER:
(Inaudible).

MR. PARSONS:
At today's salaries, you know, there are engineers, nothing under \$40,000 a year, perhaps \$50,000 a year, it would take perhaps six employees to bring up that \$300,000 a year. Now, Mr. Speaker, in those larger communities, they have their own snow clearing and their own road maintenance, secondary road maintenance staff, and this would escalate. I mean, if those communities were all amalgamated, I could see a payroll, perhaps, of \$600,000 or \$700,000. Now if that were implemented, then you are talking about at least \$300,000 or \$400,000 on which tax would be placed. And, Mr. Speaker, those communities cannot afford it. But I can see the rationale. Now, this was done, again, on the spur of the moment, but so was amalgamation, because you can see what happened. First of all the Minister was going to go big, take us all in and make one big city out of us, and then, he said that was wrong; he did it on the spur of the moment. Then he talked about amalgamation, and it was just a few weeks before the Budget came out that he finally watered it down, because the Premier said no one is going to be forced, and I hope he sticks to his guns. But the Minister of Finance then said, 'Glory be! This is the way to get it. Now we will tax the poor people again, because when we get them all amalgamated' - you take over in Conception Bay, again, you

amalgamate them over there, and all their payrolls - right now, I would say there are only about four places in Newfoundland and Labrador where municipalities would come within those tax guides. Now, what he saw then, was room to tax the poor people again; if they amalgamate, 50 per cent of them will be above the 300,000 mark and the poor people will be taxed again. Now they are going to be taxed on their lights and their heat; they are going to be taxed on their gas; they are going to be taxed on their food at the checkouts. Do you not mean to tell me -

AN HON. MEMBER:
(Inaudible).

MR. PARSONS:
Yes, all the food that comes in here, that will be transported across, all by labour, labour intensive, all those trucking outfits are labour intensive. Like the critic for Finance said the other day there was one company there that had in excess of \$700,000 payroll, because they were in the service area all that had to be paid for, Mr. Speaker, and it will be paid not by the Sobey's or the Dominion Stores of this Province, but by the individual that goes up and pays for his groceries.

AN HON. MEMBER:
(Inaudible).

MR. PARSONS:
Mr. Speaker, a lot of us will not see it. A lot of us will not take into account that there is \$10 gone on a grocery bill. But the people who are there watching their budget from day to day doing it on a dollar ratio, Mr. Speaker, they will see it. And that is why I say to the Minister of Finance

you were deceitful in taxing the poor people of this Province. You were deceitful, Sir, in taxing the people of Newfoundland and Labrador.

In St. John's alone with this new tax they have to look for an extra \$500,000.

MR. TOBIN:
The Minister of Education is worse (inaudible).

MR. PARSONS:
I am going after him.

The Minister says, yes, okay St. John's is going to pay \$500,000 extra. But there are a lot of poor people in St. John's that cannot afford extra taxation. They are paying eleven mils down there now. They just cannot afford it.

MR. TOBIN:
They are not all doctors and professors.

MR. PARSONS:
They are not all doctors and professors down there. There are a lot of poor people in St. John's, but the Minister did not take that into consideration. He said, so what! I want money and I am going to get money one way or the other.

Mr. Speaker, this tax will be detrimental to our tourist industry. Take the tax on the hotels, Mr. Speaker, the tax on gas; everything, Mr. Speaker, spells out to everyone except the Minister. Newfoundlanders and Labradorians are finally awakened I suppose when the Opposition is telling them look, it took us a little while to see through it. But now we delved into it, now we can tell you you will be paying a

tax far more, and the Minister had to come out and say, look, oh well, you know, I had to tax the people. We need the money; we just cannot handle the Government; we cannot do the things that are necessary.

Now I have to make a few remarks as far as education is concerned. Mr. Speaker, certainly any time that money goes into education I would be the last one to say anything derogatory. But, Mr. Speaker, they gave the 4 per cent increase to the school boards and then they taxed the school boards. The Minister of Education, who again I hold in high esteem, I cannot really see for the life of me how the Minister let the Minister of Finance, and I know he is his colleague because he comes to his assistance every day in the House, when one Minister looks at the other the Minister of Education gets up and says okay I will help you out. That is part of it. But I do not see how the Minister of Education allowed this to happen because I know his greatness as far as education is concerned. I know that he has good ideas. There are some ideas that he does not have. I do not know how to implement them. But in the meantime -

AN HON. MEMBER:
Your time is up.

MR. PARSONS:
What five minutes?

I had twenty-seven. I have unlimited time anyway. I say I have unlimited time.

Let me say this to the Minister of Education, most of your emphasis is placed on post-secondary education and it has to be. I

believe in the community college system, right, first and second level.

AN HON. MEMBER:
(Inaudible).

MR. PARSONS:
I agree, but I do not agree with the second university with capabilities the same as Memorial. I think that would take away from Memorial. But the point I am making is that I think more emphasis should be placed on our local schools, our primary, our elementary schools, and this is where we are not placing enough emphasis.

DR. WARREN:
And sharing.

MR. PARSONS:
And sharing, right. I will stand here today and say that the present system - I am pro denominational education system, I do not see anything wrong with it, with one exception, - we have to come to the conclusion that facilities have to be shared.

SOME HON. MEMBERS:
Hear, hear!

MR. PARSONS:
Yes, sharing will have to take place. And I believe that if this sharing took place it would relieve the constraints on the Department.

I think there is money to be saved in that area and I think our heads would be in the sand, if we did not realize that it has to take place, it has to come. I do not know what way he has to go about it, he has people over there, professional people who are capable and he too is a capable person himself, but I think this

should happen. It has to come from the bottom, I think too much emphasis has been placed on top and from my point of view, it has to come from the bottom, we have to work up and in working up we have to start at the bottom in the school system. Mr. Speaker, my time is limited, I will have to touch on the tourism aspect of this Budget. You know, I get a charge out of -

MR. PARSONS:

Mr. Speaker, how about stopping the meetings over there, while I am - please - Mr. Speaker, look, hon. Members over there get lost sometimes, but they are always lost. They have been lost since they went over there, most of them. Mr. Speaker, I would like to touch on the tourism aspect of it because the doctor, the good doctor, when he brought in his hidden tax, when he brought in his lousy tax, his dirty tax, the tax on poor people, he also talked about tourism, he also said about tourism, oh, there is no tax on it. Let me tell the Minister of Finance, sometimes I go over there to the Minister and I say how about doing something as far as the roads are concerned in the east end on the highways. No we are going to do this highway that you never touched for seventeen years, you know that creates nausea, but, Mr. Speaker, I want to remind the Minister of Finance that there is a small grotto in Flatrock, and a famous small grotto where we had distinguished people from all religions visit. I want to remind the Minister of Finance that last year there was a book put out there, a guest book - just listen to me now, just listen to me, Mr. Minister, just listen and you will learn something.

There is a small community of a

1,000 people, there is a book, a guest book which is only used from June to October and only on fine days. 6,000 people signed that guest book.

MR. MATTHEWS:

And it is only there on fine days?

MR. PARSONS:

That is all, there is no need, the book is wide open, oh yes we have responsible people there, but I am just making the point that the tourism industry is a big industry in Newfoundland. It is big and it has to be nurtured, it has to be treated with respect. There is very little diversification in Newfoundland, but we have part of a diversificational system here now and we do not need anything great.

What I am saying is wrong is taxing the liquor, the drop of liquor that comes in. People come in, tourists come in, sure it is part and parcel of it. They tax the liquor, they tax the gas, they tax the food, everything is going to be more expensive and eventually that Minister over there and those Ministers over there who abide with and who aid and abet the Minister of Finance will kill our tourist industry as well as they have killed the fishing industry, and you have killed the fishing industry, it has gone down the drain.

Even the Member for St. John's South agrees, he nods his head, he agrees, all the Members over there, even my friend from Mt. Scio, Bell Island, he is nodding his head and saying I agree with him. Mr. Speaker, what this Budget did to Newfoundlanders and Labradorians can only be described in one way, highway robbery.

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

MR. PARSONS:
By leave?

SOME HON. MEMBERS:
No, no, no leave.

MR. PARSONS:
Mr. Speaker, just to clue up.

MR. SPEAKER:
The hon. Member does not have the leave of the House.

MR. PARSONS:
Just to sum up, Mr. Speaker.

I want to give the Minister a little pat on the back.

MR. SPEAKER:
The hon. Member's time has elapsed and he has not been granted leave of the House.

MR. PARSONS:
Mr. Speaker, if the Premier -

MR. SPEAKER:
Order, please!

The hon. the Minister of Social Services.

MR. EFFORD:
Thank you, Mr. Speaker.

Mr. Speaker, I am only going to take a few minutes, just a few minutes. I may run the whole thirty minutes and I may ask for leave afterwards. I am going to play it along as I go. I want to say at the very outset, Mr. Speaker, that I do not want to be too political. I did not intend to be political in this but I sat down for the last thirty minutes trying - I was forced into my seat by the whip if not I would have probably left and went out for a

coffee, but I was forced to stay by the whip, and I had to listen to old anti-confederate himself stand up and make some remarks. Now, before I get into the Budget Speech let me list off a couple of the things he is against. He is against Confederation, he is against taxes, he is against amalgamation, he wants liquor prices to go down so people can drink more and we will have more alcoholics, he wants taxes to go down on cigarettes so that people can end up polluting their bodies and polluting their lungs so people can smoke and cause all sorts of money to come out of -

MR. PARSONS:
A point of order.

MR. SPEAKER:
A point of order, the hon. the Member for St. John's East Extern.

MR. PARSONS:
Mr. Speaker, if the hon. Member wanted to listen I never said anything about cigarettes and I said nothing about alcohol only as far as it pertained to the tourist industry. I just want to make it quite clear to the Minister that he is misleading the House. I do not want to come out and say he is lying but he is twisting the truth.

MR. SPEAKER:
There is no point of order.

The hon. the Minister of Social Services.

MR. EFFORD:
Thank you, Mr. Speaker.

I thought the tourists who come out to my District are human beings and they drink liquor. Some of them can over-drink and some of them can become alcoholics. Except that they come

from another part of Canada are tourist people any different from the regular people in Newfoundland? The point is, Mr. Speaker, he is against everything that is right for the people of the Province, absolutely everything that makes any sense because it is the tradition of the Tory Government to be against everything. Let us look back over the history of the Tory Government without getting too political.

The former Minister of Fisheries introduced a resolution here on Private Member's Day about the sealing industry and about what we should do, what the Federal and Provincial Governments should do about the sealing industry. What did the then Minister of Fisheries, the then Tory Government in Newfoundland, do about the sealing industry when Greenpeace and all the people came in here and destroyed the sealing industry? What did you do? After it is all destroyed, after the whole industry is wiped out, what happened? Trudeau was in Ottawa. I am talking about what the Provincial Government did. In that resolution the other day, Mr. Speaker, there was not one word about the fact that Newfoundlanders themselves cannot get a sealing license. It was not mentioned by one Member on that side of the House, when they spoke and when they supported the resolution, about the fact that a Newfoundlander who wants to go out and kill seals to eat is unable to do so. It is a tradition that has been here for hundreds and hundreds of years. There was no word about that. There was no word when it was taken away, when the Federal Tory Members took it away just a couple of years ago. The Minister of Fisheries then did not say, Newfoundlanders should

have the right, every bona fide fishermen in Newfoundland should have the right to at least kill a seal to eat. There was no mention of that. The Member for St. John's East Extern, when he spoke, never mentioned it, but the Opposition people of the day mentioned it and we fought for it. I must say I am very proud to say that I hold a sealing license to be able to go out and kill a seal to eat.

SOME HON. MEMBERS:

Hear, hear!

MR. EFFORD:

You are against everything that is sensible.

AN HON. MEMBER:

Table the license.

MR. EFFORD:

I cannot table the license but I will table a photocopy of it. I cannot give it away but I will table it. I will table it afterwards, Mr. Speaker.

But, Mr. Speaker, let us talk some sense. I mean the Member stands up - Mr. Speaker, the Member for St. John's East Extern and all other Members stand up - they are all against taxation. Can you imagine? They never looked at why the Minister of Finance had to impose a tax. Why did he have to bring in a tax. First of all, you look at the reality. Taxes must be collected if you are going to provide essential services to the people of the Province. That is factual. And no matter which tax you bring in, people are going to be hurt as the Minister has already said. But I never heard the Member for St. John's East Extern or the Member for Burin Placentia West when he spoke yesterday to say why he had to try

to collect \$15 million this year.

Probably if we would not have brought in the pickle factory and wasted \$23 million we would not have had to impose a tax this year. Probably there would have been no taxes brought in this year. If we only had that \$20 million back.

SOME HON. MEMBERS:
(Inaudible).

MR. EFFORD:
Well, the one, Mr. Speaker, that strikes my fancy is the one that is on page one, the very first one: Bev's favorite dip. Now that was something.

AN HON. MEMBER:
What?

MR. EFFORD:
That was something, Mr. Speaker. That was what the former Administration bragged about. That is why the Minister of Finance had to impose a tax with something such as Bev's favorite dip.

SOME HON. MEMBERS:
(Inaudible).

MR. EFFORD:
Let me read out the recipe, Mr. Speaker. One Newfoundland cucumber -

AN HON. MEMBER:
What?

MR. EFFORD:
One package - listen to this one, God bless us. One package of Uncle Dan's original southern salad dressing mix. Now, how do you do it? Mix Uncle Dan's, Mayonnaise and milk until you get the kind of consistency you like. Slice and arrange cucumbers on

plate and put your dip dish in the middle.

Mr. Speaker, the audacity of the Members Opposite to stand up and blame the Minister of Finance and to be against the tax. That is the reason why a tax had to be brought in, for Bev's favorite dip. Now can you imagine, Mr. Speaker.

You know, the Minister of Finance jokingly said over there this morning we should probably, you know, with Governments like that of the past, we should probably tell the East Germans in uniting with the West Germans in the democratic society if they are going to impose taxes because of something like this, we should probably tell them it is better for them to stay out of it if the Administration has to bring in something like that. It is absolutely unbelievable. \$20 million and we have to do it.

Now, Why did we do it? The Minister of Health talked about a budget that is good for people. You have heard the Minister of Health make the announcement about opening up hospital beds. We went through four years in the Opposition trying to convince the Minister of Health on why should we open up hospital beds. I mean I can tell you story after story. I had my files full of it when I was the Health critic for the Opposition in pointing out where people were transported from Clareville by ambulance on a stretcher bed having to stay in the Health Science lobby or in St. Clare's day after day, hour after hour, only to find out 6:00 that afternoon there were no beds available and they had to be transported either back to Clareville or some part of rural

Newfoundland after suffering all day that there were no beds available. So, why did the Minister of Health impose a tax?

AN HON. MEMBER:

It is happening today.

MR. EFFORD:

No it is not happening today. It is still happening, sure, to some extent, but it is not happening to the extent that it was. How many beds did the Minister of Health open? How many beds did he open? Look at the nurses situation. We preached time after time the stress, the strain, the overwork, the hours they were working, the understaffing, the wages and everything that the nurses were working. What happened? The President of Treasury Board soon after the budget brought in a nurses agreement that every nurse in the Province now is getting the respect and earning the wages that they deserve. Now we could have took that same amount of money, we could have opened up a cucumber bed out in Port de Grave District. God forbid. The people would never vote for me anymore if we ever did. They never would any more.

AN HON. MEMBER:

(Inaudible).

MR. EFFORD:

Oh, there is nothing wrong with boat building in Port de Grave District, Mr. Speaker. They are still building lots of boats out there by a very capable employer. In fact they started two sixty-four foot, eleven and a half inches, with an extra coat of paint it might give it sixty-five, out there in the next - in fact they built six in the last month and two more again next month, Mr. Speaker. And we are very pleased

about the boat building industry in Port de Grave District. The last election proved that.

But, Mr. Speaker, you can stand now, I know. I was sat down there for the last two and a half sessions of the House of Assembly and I have looked at - in fact sometimes I have been almost tempted to get out of my seat and go across the floor and write a few questions. I know how weak the Opposition really is. I know that they are really digging deep. I saw it budget day. I saw it budget day when the hon. the Minister of Finance got up and read the budget. I never saw such a surprised look and no words, nothing coming out. There was nothing negative to say about the budget.

I can see them scurrying up to the Opposition office getting in the little board room saying what are we going to pick apart in this Budget? There is nothing there. Everything is good. Nothing for the Opposition. Absolutely nothing for the Opposition whatsoever. Absolutely nothing. I mean day after day, after day, after day there are no questions. At least when we were in the Opposition we used to get a scattered interview out of it. But then the press do not ever bother them any more, the press do not even call for them. I mean at least every day in the week there would be four or five Opposition Members, when we were over there, out in the press gallery lined up getting in because of the notes that were coming down, but now you may see once in a while the Leader of the Opposition, but other than that, absolutely nothing whatsoever.

SOME HON. MEMBERS:

Oh, oh!

MR. EFFORD:

I went through the Estimates Committee with the Member for Humber East. Now there was something. There is where we really got on a real live debating question and answer, but I cannot say too much after yesterday because I had to get some buttons sewed on last night on my shirt, the praise that we got yesterday. So I cannot say too much. But I can say, Mr. Speaker, honestly, that she does not understand, she should pass the Social Services critic over to somebody else because on the Estimates Committee she really does not understand what is happening.

AN HON. MEMBER:

Be nice to her now.

MR. EFFORD:

I am being nice to her, because she should give it over probably to - my goodness not to the Member for Burin - Placentia West. Because he is the former Social Services Minister, Mr. Speaker. He honestly does not really know what the Department of Social Services is all about. In fact I do not know if he really knows why he is sitting in the chair. But nevertheless he does occupy it.

AN HON. MEMBER:

He is usually over here.

MR. EFFORD:

Now the real critic, or the supposedly real critic, I do not know what happens to him - every now and again he disappears for a while. Probably you should give it to the Member for St. John's East Extern, he would be the right one because he is against women rights; he is against amalgamation; he is against

Confederation; he is against taxes; he is against rising prices; he is against just about everything. So he probably would be against some of the good things that we are doing. So I would have no problem. But he does understand some of the social problems.

Mr. Speaker, the one thing we have had to do and I suppose if you look at why the Minister of Finance - and I am sure he has laid awake a lot of nights because he did not want to impose a tax. But if you really look at why it was done, why was any tax imposed? I mean seventeen years of what? Seventeen years of everything happening positive. Not everything. We could not even look close, seventeen years of mismanagement.

SOME HON. MEMBERS:

Oh, oh!

MR. EFFORD:

Seventeen years, Mr. Speaker, of mismanagement; seventeen years of spending money on business people. The Tory philosophy is business. I can understand why you are against taxes, because taxes are being imposed on your friends..

AN HON. MEMBER:

(Inaudible).

MR. EFFORD:

No, taxes are imposed on your friends. I mean Tory philosophy is to support large corporations; the Tory philosophy is to support business; the Tory philosophy is not what the Minister of Finance proposed in his Budget to help people, the people's budget, to put essential services in place.

AN HON. MEMBER:

(Inaudible).

MR. EFFORD:

In imposing taxes? Where would you put a tax? Would you charge it right directly to the individual themselves? No, you are so upset because your Tory business friends are coming and saying look, I am going to pay 1.5 per cent next year. My goodness! I can understand what you are talking about. I mean why did you not get up and say to the Minister of Finance congratulations that you imposed a tax, now we can hire on some social workers; now we can open some hospital beds; now we give the nurses some decent wage; now we are provide some essential services to people. I mean, taxes have to be collected in order to provide those services.

AN HON. MEMBER:

And hope to get leadership money the next time.

MR. EFFORD:

Mr. Speaker, why did not the Tory Administration recognize the inefficiencies in student aid, and the major problems students have trying to get into University?

MR. SPEAKER:

Order, please! Order, Please!

I am having difficulty hearing the speaker.

MR. EFFORD:

The former Minister of Education, why is she so critical towards the now Minister of Education? Why is it they cannot recognize that they were there and they did not do anything about it? Taxes had to be imposed in order to do those things. Are you saying that we should do away with the increase in student aid this year? Are you saying that we should not give

single parents an opportunity to further their education? Is that what you are saying?

DR. KITCHEN:

And it was a good tax.

MR. EFFORD:

Well, then, how do you do it if you do not increase it? You ran us in debt. How many billion are we in debt? \$5.2 billion dollars in debt. How much were we in debt when they took over in 1971-72?

MR. MURPHY:

Less than \$1 billion dollars.

MR. EFFORD:

Less than \$1 billion.

MR. SIMMS:

That is over forty years or more.

MR. EFFORD:

Over forty years! Oh! Seventeen years. That is a long, long way from Tippetary, Mr. Speaker, and it is a long, long way from forty years - seventeen years.

MR. MURPHY:

That is right on!

MR. SIMMS:

Seventeen years that's the one high point.

MR. EFFORD:

Seventeen years! From \$1 billion to \$5.2 billion.

MR. SIMMS:

No interest on the first twenty years.

MR. EFFORD:

I tell you one thing, Mr. Speaker, it did not go for services for the people; it did not go in opening hospital beds; it did not go in paying nurses a decent wage; it did not go in hiring on social

workers; it was not spent in helping out the people of the Province in education or providing opportunities for people to get into university. It went for the friends of the Tory party, the business people.

AN HON. MEMBER:
(Inaudible).

MR. EFFORD:
Well, it was a philosophy of your Government. If you had seen that over the past seventeen years we would not be in the mess we are in now.

SOME HON. MEMBERS:
Oh, oh!

MR. EFFORD:
It is only now you see something positive happening. That is the one thing you cannot understand. Why are people against positive things happening?

AN HON. MEMBER:
(Inaudible) real Tory Premier.

MR. EFFORD:
You would think with their Tory Philosophy, after errors and errors, mistake after mistake, seventeen years of no direction, you would think at least once in a while they would admit there was something good happening in the Province, something good happening for a change. But no! No! Mr. Speaker, it all boils down to the fact that they cannot accept the fact that somebody else can do the right thing for the people of the Province.

DR. KITCHEN:
And do a better job.

MR. EFFORD:
Do a better job. I mean, I cannot understand it. An average human

being, regardless of your Philosophy, your Politics, would not be against hospital beds opening! You would not be against people receiving better health care!

MR. SIMMS:
Do not be so silly! You closed a hundred beds last year for God's sakes. What are you talking about?

MR. EFFORD:
You have to distribute the dollars in a fair and equal manner around the Province so that you can at least give decent service. It is better than giving no service at all!

Mr. Speaker, it is absolutely unbelievable that they just cannot stand to know that we are doing something right for the people of the Province. Just cannot stand it! Well, let me tell the hon. Members opposite one thing, they are going to be in misery for a long, long time, because we are going to be over here for a lot of years to come, so you might as well settle down to it. You might as well settle down and come to realize the fact that if you do not want to put up with it, you are going to have to leave. Because we are here to stay. It is going to be a lot longer than seventeen years. All you have to do is talk to people around the Province, Mr. Speaker, and you can see for sure the attitude of the people. I suppose they may change their minds around - what? - the year 2050?

MR. MURPHY:
Somewhere around there, yes.

MR. EFFORD:
Somewhere around 2050. They may, but it will be doubtful. With some of the young Members we have

now, like the young Members for Eagle River, for Lewisporte and for LaPoile, all those young people in the backbenches -

AN HON. MEMBER:
Lapoile?

MR. EFFORD:
Yes, the young Member for LaPoile and all those people coming up, I think we are around for a long, long time. When we old grey-haired fellows are gone home to roost, they will be here keeping this Liberal Party going on this side of the House of Assembly, Mr. Speaker, make no mistake about it.

And the young Member for Stephenville. I forgot about our young, upstanding Member, and the young Member for Mt. Scio - Bell Island. Yes! Yes! And Bonavista down there.

I have no doubt, Mr. Speaker, there may be some Opposition Members. We hope.

MR. SIMMS:
(Inaudible).

MR. RAMSAY:
No, you will not get Eleanor Major to run, do not worry.

MR. SIMMS:
(Inaudible) against you, we are here and you are gone.

MR. EFFORD:
I think, Mr. Speaker, in all fairness to an Opposition Party, I think every Government and each Government should have an Opposition Party, but they should have a capable Opposition. They should have people who have their -

SOME HON. MEMBERS:
Oh, oh!

MR. EFFORD:
Oh, yes, I campaigned on that in 1985, by the way. I did. I campaigned on that in 1985.

DR. WARREN:
The Opposition should have in-service education.

MR. EFFORD:
Yes. We need some. Yes, that is right. The Minister of Education has offered some in-service education, and I will support him. I will certainly help him to come over there and sit down once in a while, because it is important. I do not think any Government should be without an Opposition. I think it really adds something, it keeps you alive, keeps you on your toes, Mr. Speaker.

Mr. Speaker, the fishery in Newfoundland and Labrador is something none of us can really jest or joke about, because it is a serious crisis. It was caused by whom, Mr. Speaker, this Government? Were the problems caused by this Government? No! Surely, goodness gracious, the now Leader of the Opposition, a former Minister of Fisheries, had no part to play in what is happening in the Province? Surely, the now Prime Minister of Canada and the former Minister of Fisheries, Tom Siddon, and all his colleagues in Ottawa had no part to play in what has happened! I suspect Members opposite will say that happened in 1949 or 1950. I am sure they will go as far back as that. They would have no part in it. Why now?

I listened during Question Period today when they talked about the fish plants, what would this Government do? They got a surprise when the Premier stood up and told them what we are doing

about the fish plants and what we will do about any fish plants with whom we have loan guarantees in place. I heard a Member opposite say, 'What! We have done that for fifteen years! We have had people in place, not only to see the guaranteed loans put in place, but to see that the plants would operate.

MR. MURPHY:

That is right.

MR. EFFORD:

I have not seen any evidence of it. I have not seen, for the last eight or ten years, evidence of anybody being put in place to guarantee they would be operating in a manner in which they would be able to make a reasonable amount of profit; at least they would be able to run the business with the success expected of any normal business. I did not see any evidence of that. I can honestly say one thing, that over the years, I have seen and talked to a lot of fish plant owners who have continuously found themselves in financial trouble and received no support or direction whatsoever from the former Government. Now that something positive is being done about it, Members opposite are against everything positive, giving no support whatsoever.

The fisheries in this Province, Mr. Speaker, will always be around. There is no question about that. I think the communities around Newfoundland will always exist. But can they exist the way we are going today? No. Any Government, whether it be Federal or Provincial, has to put in some sort of mechanism, with sense, logic and responsibility to ensure that those communities do continue to exist. And, if you allow every person growing up in

communities in rural Newfoundland to be dependent on the fishing industry, then there can be no future. There is no way the Province of Newfoundland and Labrador can succeed the way it has been going the last twenty-five or thirty years. It cannot.

AN HON. MEMBER:

We are still here.

MR. EFFORD:

We are still here, sure we are. How are we struggling? How are the people living out in the communities? Every winter, in the small communities, you have to bring in make-work programs.

AN HON. MEMBER:

(Inaudible) living out there.

MR. EFFORD:

Well, I agree, they are living. It is better than not living at all. But, why would you be against the Government, federally, provincially or jointly, bringing in a system, some new ideas, some planning which can help those communities to survive? What about the fishing gear the fishermen use? Why should we import fishing gear from other countries? Well, is there anything wrong with trying to develop something, encourage people to get started in some other industry? So that instead of 100 people living in a community being totally dependent, probably a small percentage could be diversified with some new ideas and production of items used in that particular plant. I believe the Member for LaPoile told me a while ago that out in Port aux Basques we have a small plant which is manufacturing plastic fish trays. Am I correct?

AN HON. MEMBER:

Pans and hard hats.

MR. EFFORD:

Some fifty million trays are being marketed every year in the Province.

MR. MURPHY:

FPI uses \$1.5 million worth of trays in their plants.

MR. EFFORD:

FPI alone, uses \$1.5 million worth of plastic fish trays a year. What is wrong with the town of Port aux Basques, or Grand Bank, or some other community around rural Newfoundland getting involved in producing something like that?

AN HON. MEMBER:

(Inaudible).

MR. EFFORD:

Well, you will be told in due course. The problem with the Opposition is they are afraid something positive is going to happen. They are afraid we are going to do something from which the people of the Province are going to get some satisfaction and some benefit.

AN HON. MEMBER:

Tell us what you are going to do.

MR. EFFORD:

Wait. Wait. Just have a little patience. Did you ask your federal colleagues what they are going to do?

AN HON. MEMBER:

Yes.

MR. EFFORD:

Did they answer you?

AN HON. MEMBER:

Yes.

MR. EFFORD:

Well, then, you know all the answers, and you should not have to ask us. You know all the answers.

There are things in Newfoundland we can do. The only thing is people have to have a fair and equal opportunity, people have to be given direction, people have to have opportunities and Government agencies, and know where they can go for help. The one thing I found out since I became involved in politics is that any individual who had any sort of a business idea whatsoever in this Province was totally frustrated when they went to the Provincial Government for direction. They would go to one department in Government and would always come up against problems from another department; one department was pulling away from the other department, confusing, frustrating and turning people away. People were frustrated. Now direction is being shown, there is a system in place, and when people go to Government for assistance, they are not being frustrated, the doors of opportunity are being opened to them, they can get some satisfaction, they have confidence that they are not working and not operating alone. And if they have a business idea, there is somebody willing to listen and somebody to support, and some mechanism is in place so that they can go ahead and be encouraged to follow through with their idea. Will everything be prosperous? Will everything be rosy? No. But at least the greater percentage will develop the future of the Province. And that is what they have to depend on, the future of the Province, rural Newfoundland. Everything is not going to centre around St. John's or Gander or

Grand Falls or Corner Brook forever. There are more outside. There are a lot of communities around. And no Government in its right mind would be out there saying we have to bring everything into one centre in Newfoundland. The policy of this Government is to diversify, is to give rural Newfoundland an opportunity. And every time you mention that the Opposition jumps up, Oh, no, you did not say that. That is not your policy.

The plan is to develop Newfoundland and Labrador excluding nobody, to give everybody an equal and fair opportunity at the future of Newfoundland and Labrador, to keep Newfoundland and Labrador together, not to have Newfoundland and Labrador depend on one industry.

If you ever get down to the fact that you are depending on one industry, whether it be fish, whether it be mining, whether it be forestry, regardless of what it is, oil or electric power, no province, no country is going to survive. You have to diversify. You have to give people an opportunity.

We have an extraordinary problem in Newfoundland because of the geography of the Province, because there are communities scattered around the coast. It is not easy to diversify, but you have to put a system in place to do it. And it is not something that is going to be accomplished overnight. The direction for the future is starting now, but it should have been started seventeen years ago, twenty-five years ago, but it was not. So we do not look to the past now, we look to the future.

MS VERGE:

It is about time.

MR. EFFORD:

It is about time, and the Member for Humber East should have realized that when she was in Government. It is about time is right. This Government realizes it is about time, and this Government is going to do something about it whether the Opposition likes it or does not. There is going to be something done for the future.

MS VERGE:

Tell us when.

MR. EFFORD:

Oh, no. In due course. You told me five minutes ago your Federal colleagues have already told you, so why are you asking? You know the answers. Apparently you did not like what your friends were telling you. Apparently, Mr. Speaker, they do not like the attitude of their Federal colleagues, but they are afraid to admit it. Probably that is the reason.

MR. MURPHY:

We do not negotiate in the House, John, we do it in a businesslike way.

MS VERGE:

(Inaudible) policies on the fisheries when the Liberals were in power or when the (inaudible).

MR. EFFORD:

Let me assure you of one thing, Mr. Speaker, that when a plan is placed for this Province in the future, it will not be done in a political manner, it will be done in an equal and fair manner for every individual living in the Province of Newfoundland and Labrador, where the need is

greatest. And from that sort of system will follow, not politics, not because of your political views, not because you have a friend in Government, everybody in the Province of Newfoundland and Labrador will have an equal and fair opportunity. That is the direction which should have been started ten years ago, that is the sort of system which should have been in place. If that sort of system had been in place, we would not have the problems we have today, we would not have the problems we have in rural Newfoundland, where there are places with no roads, as in Labrador, where no consideration was given to Parks there because the people voted a different way.

MS VERGE:

Everyone from rural Newfoundland will have equal opportunity for a job in St. John's or Toronto.

MR. EFFORD:

I believe that everybody -

MR. SPEAKER:

Order, please! Order, please!

I have tolerated it for a great deal of time, but the hon. the Member for Humber East is not in her seat and she is not supposed to be making comments.

The hon. the Minister of Social Services.

MR. EFFORD:

Mr. Speaker, I do not know what point she is making. I would say that everybody in Canada, every individual in Canada has an equal opportunity to work where ever they choose to work. If a person in my district wants to go to Vancouver to work or wants to work in St. John's or wants to work in Grand Falls, they have an equal

opportunity. Should we take that opportunity away from them? No! Our responsibility is to provide opportunities for people to work within their own province, if they so wish. But if they choose to go somewhere else, fine! You cannot tell people they must work in Newfoundland, you cannot tell people they must work in Toronto. It is not the right of anybody, whether they are in Government or outside Government, to do that. You create the opportunity for people to stay within the Province of Newfoundland and Labrador. But, you see, you are afraid something good is going to happen. You are afraid. It is like the Budget. You were afraid something good was going to happen.

MR. SPEAKER:

Order, please!

The hon. Member's time has elapsed.

MR. EFFORD:

Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Grand Bank.

SOME HON. MEMBERS:

Hear, hear!

MR. MATTHEWS:

Thank you, Mr. Speaker.

AN HON. MEMBER:

Not much support over there.

MR. MATTHEWS:

No, not much support. You are right, not much support boy! But, then, I do not need much support to get up here and react to this Budget, Mr. Speaker, especially following the Minister of Social Services, who, every time I get up after him, goes 'sh, sh, do not say too much.' I would just like to say that I am very, very

pleased to follow the Minister of the future for the Province, the Minister of the future who says, let us go forward, let us stop looking backwards. I concur with the Minister of Social Services on those thoughts, but all I hope is that when we look to the future it is going to be a bright future, and that the future for the hundreds of communities around the coast of this Province will be brighter, and not worse off over the next few years in this Province. That is my biggest concern.

I really wish the Minister of Social Services had frightened the life out of me this morning when he told me about what his Government is going to do for the communities which are being affected by the very serious crisis in our fishery, and I hope that over the next few days, Mr. Speaker, or the next week or two weeks or two months, that I am the most embarrassed person in Newfoundland and Labrador, as the Premier referred to a couple of days ago when he said, the Member for Grand Bank is going to be embarrassed. I want to go on record here today and repeat what I said then. I said, I hope I am the most embarrassed person in Newfoundland and Labrador, I hope I am embarrassed to death. Not that I hope I die, but it is embarrassment I hope I would have to wear, because I do not mind being embarrassed if the people whom I represent, particularly, in this case, in the town of Grand Bank, are looked after in some way, by some other industry or industries being found for that town. I hope I am embarrassed. I would say publicly that I am embarrassed, and I would congratulate and thank all those who do anything positive for the

people I represent. I always do that; I always give credit where credit is due. If that all works out, then I will certainly do that.

But what I have seen so far, Mr. Speaker, from this Government since it came to power as it pertains to my District, has been nothing but taking away. I have had the in-patient services at two hospitals closed out. We now think the Minister of Education has his mind made up, he is going through the white paper process to say that people had some input into it and that he received feedback; he is going to take the headquarters of Eastern Community College from the Burin Peninsula and establish it in Clarenville, under great, great pressure caused by four or five Members opposite who are putting tremendous pressure on the Minister of Education to move that headquarters off the Burin Peninsula.

I see the Minister of Social Services smiling over there, sort of smiling slyly, and I almost think he had something to do with it; I almost think he has probably met with the Minister of Education to persuade him -

MR. WALSH:

(Inaudible) colleague from Trinity.

MR. MATTHEWS:

It has nothing to do with the Member for Trinity North. It has to do with four or five over there who have almost broken the arm of the Minister of Education in saying, take that off the Burin Peninsula, even though it is established, and even though it is going to cost more money to relocate it.

MS VERGE:

Kick them when they are down.

MR. MATTHEWS:

Kick them when they are down - 500 less workers in the shipyard in Marystown, in-patient services closed out in two hospitals. I want to make a comment to react to comments made by the Minister of Health yesterday or the day before. I find the Minister of Health so hard to listen to, I do not remember what day he spoke. He is not like the Minister of Social Services. I can listen to him. But, I would like to react to some of the things he said, as well, when he was in Opposition and he talked about hospital beds which were not open, and problems around the Province he identified with. When the Minister of Social Services was in Opposition he said people could not find a bed and were lined up in hospitals wanting to get in. Let me just tell the Minister of Social Services this story that happened in the new, modern regional Burin Peninsula Health Care Centre. A lady was in for surgery and was operated on one day. The next day, like all of us of course, at times you need to go to the bathroom, the hospital workers took her to the washroom and when she came back, someone else was in her bed. Now, that is a true story. I am not proud to get up here today and talk about that.

MR. EFFORD:

That is a problem with the hospital staff.

MR. MATTHEWS:

No, the problem has been created, let me tell the Minister of Social Services, because since they closed out the thirty-five beds at Grand Bank, the twenty-five beds in St. Lawrence, and the thirty-plus beds at the old Burin

Cottage Hospital, there is so much pressure now on the Burin Peninsula Regional Hospital that they cannot handle it; it is gradually becoming a very serious health care crisis on the Burin Peninsula. That is what is happening in our area as a result of this Government's action in health care.

MR. WINSOR:

Jim, can you see the bald eagles today?

MR. MATTHEWS:

I do not want to be distracted now by the Member for Mount Scio - Bell Island. It just so happens that last night I flicked on UOCM before I went to sleep and I could not believe the bawls that were coming out of the Member. He was bawling like a moose, on with Ron Pumphrey, about the moose on Bell Island.

MR. WINSOR:

And five bald eagles.

MR. MATTHEWS:

The moose was the big thing. He was all taken up with the moose. He has had meetings, or will be having meetings with the Minister responsible for wildlife to get a partner for this moose. Now, those are the concerns of the Member for Mount Scio - Bell Island for his District. He was bawling like a moose. The only other time I heard anyone bawl on Rom Pumphrey's show was one night when Ron was trying to tell someone how to shoot the wild baloney. He said, first of all you have to scare the wild bologna before you can shoot them. He then asked the gentleman who called in if he knew how to do that. The gentleman said, no, and of course Ron said, you have to go awhoom! He then asked the

gentleman to do that and for twenty minutes Ron Pumphrey had the poor man bawling to frighten the wild baloney.

But the thing that amused me most was he said, now, once you frighten them and they run, you have to have a bend in the barrel of your gun. He said, do you know why you have to have the barrel of your gun bent? The poor gentleman, you know he really had him sucked in, he said, no, I do not Ron. Could you tell me why you have to have a bend in the barrel of your gun? Ron said, because when you awhoom and you scare them, wild baloneys have one leg shorter than the other and when they run they go around in circles so you have to have a bend in your gun to shoot them. Now, the closest thing I have come to that wild baloney call was last night, when the Member for Mount Scio - Bell Island was praising up his Bell Island moose. At times he actually bawled like a moose - awhoom! You could hear him. I am very familiar with the Bell Island moose, let me say seriously to the Member, having been the Minister for Wildlife at one time. It was a big debate as to whether or not to get a partner for Belle or take Belle off of Bell Island. Now, I think, at that time there was a fifty/fifty split whether we do it or we leave it alone and we left it alone. I do not know what is going to happen this time.

MR. WINSOR:

And there were five bald eagles next to it.

MR. MATTHEWS:

There were five bald eagles over there as well.

MR. SIMMS:

The latest survey shows

fifty/fifty.

MR. MATTHEWS:

Fifty-fifty. Pretty well split.

MR. WINSOR:

Transportation, get the ferry on stand by.

MS VERGE:

Fifty for keeping the moose, forty for the moose going, and ten for the Member going.

MR. MATTHEWS:

Well, if only ten wants the Member to go, he is not doing too bad, I must say. Now, are those figures accurate?

Getting back to the Budget, Mr. Speaker, there are a number of concerns with this particular Budget, particularly from a fisheries point of view, that sort of alarm me as the fisheries critic. Of course, I have alluded to that in another debate in the House over the last few weeks. We see the budget of the Department of Fisheries has been reduced this year by \$2.1 million. As I have said before, I really thought if ever there was a time in our history when the budget of the Department of Fisheries would have been increased, it was this particular year; with the crisis ongoing in the fishery, with the negotiations and discussions supposedly taking place with the Federal Government, that the Province would be gearing itself up to address this very serious crisis.

There is a \$2.1 million reduction in the budget of the Department of Fisheries, from \$33.3 million last year to \$31.2 million this year. And that is somewhat alarming to me, because I thought there would be greater emphasis and greater

provision, I guess greater preparation, put forward by the Government to try and deal with this very, very serious issue. And, of course, that ties in with remarks that have been made in this House over the last few weeks, talking about the Fisheries crisis particularly.

And when you look at aquaculture in this Province, Mr. Speaker, you would think Government would be giving more attention to it and putting more emphasis on it. If you are looking at diversification, if you are looking at trying to get other industries, if you are trying to find work for people in this Province, you would think aquaculture would be one area the Government would sort of be promoting. But when you look at the Fisheries budget you see there is a reduction in aquaculture funding this year over what was last year, and that is very disturbing as well. Plus there are some other very significant decreases for boat building and so on. I think there is a \$1.4 million reduction in capital to the Loan Board for boat building in the Province for fishermen. That is very, very significant, and it tells me that this Government is trying to find a way to downsize, rationalize the fishery, and it is opened by what they have done in their own Budget.

Now, of course, what has caused most of the debate and the concern about the Budget, Mr. Speaker, has been the 1.5 per cent payroll tax, as we refer to it; the Minister of Finance calls it an education and health tax. Of course, there is no question that people around the Province, over that last few weeks, are asking a lot of questions about this particular

tax. And the reason they are asking questions is because if you reflect back on what has happened since Budget Day, when the Minister announced the tax, it is that questions have been asked of the Minister regarding what the tax applies to. At first the Minister was not sure. Then we asked if the tax applied to health and education institutions in the Province. The Minister was not sure. At one point he said no. He said, 'You do not have to worry about the university and health care institutions.' And then we find that while this House was recessed, during Easter, he flicked out a press release over the wires in the Province saying it applied to all of those agencies.

Since then we have asked the Minister if he could tell us how much of the payroll tax, this projected \$15 million net, will come from the private sector of the Province, will come from the Federal Government and its agencies in the Province, and how much will come from the Provincial Government Departments and agencies in the Province.

Now you would think that after two months the Minister of Finance would be able to stand in his place and very quickly give answers on this very controversial payroll tax. But he, as of today, cannot do that. And what really frightens me about it is that the Minister of Finance, even though this tax applies to Provincial Government Departments and Provincial agencies, does not know how much he is going to pay himself. Now, that is the most compelling - I guess argument is not the word, but -

MS VERGE:

Indictment.

MR. MATTHEWS:

Yes, indictment of this whole tax, is that he cannot tell how much he is going to pay himself on this 1.5 per cent payroll tax. So there is obviously an inadequacy in the Budget. Two days ago, the Minister stood in his place and said he will probably have to bring in a Special Warrant later in the year. That was a direct admission that indeed his Budget is wrong. His Budget is deceiving, it is fraudulent, as has been said before. What really puzzles me and other Members on this side of the House is why the Minister does not bring in an amendment to his Budget, which he can do here, and have it done with. Why does he not do that? That is the question. I mean, the Minister of Forestry laughs over there, but that can be done. Can it?

MR. FLIGHT:

(Inaudible) what you would do with it.

MR. MATTHEWS:

Who would do with what?

MR. FLIGHT:

The Opposition (inaudible).

MR. MATTHEWS:

We will not do any more. All we want is the error corrected. That is all we are asking for. First of all, tell the people in the Province who is taxed; tell the people in the Province how much revenue you are going to get from the three sectors you are taxing.

MR. DICKS:

Fifteen million.

MR. MATTHEWS:

Yes, but tell us how much from

each one. I mean, you could say \$20 million if you do not tell us what it is, where you are getting it from and how much. We know where you are getting it from, but you cannot tell us how much you are going to pay yourself.

AN HON. MEMBER:

Not paying anything.

MR. MATTHEWS:

Not paying anything. He is not paying anything. He is not paying anything to himself, so, then, that still throws your Budget off by \$6 million or \$7 million, which is our point, you see? That is the biggest problem we have with the Budget. We have other very serious problems with it, but that is the problem which has been highlighted.

DR. KITCHEN:

I hope you are not losing a lot of sleep about it.

MR. MATTHEWS:

No, I am not losing a lot of sleep about it, but I am concerned. I would say to the Minister that he has probably lost a few winks over it, and a lot more winks over the statements he made here in this House over the last couple of weeks.

I mean, it is nice to laugh and try to slough it off, but let me tell you something. The business community out and about this Province, and right in this city let me tell this Minister, is concerned about this tax. They are. I have talked to a number of them, as we all do in our day-to-day going about places, and they bring it up to you. They are not pleased with the way this tax has been imposed, or particularly the way it has been handled over the last few weeks, let me say to

the Minister very seriously.

MR. HOGAN:

Are you still up?

MR. MATTHEWS:

Yes, I am still up, and I am going to be up for a while longer yet. And let me just say to the Member for Placentia, at least I am able to get up and I am able to stay up.

MR. SIMMS:

Not like the Minister of Finance.

MS VERGE:

And speak your mind.

MR. MATTHEWS:

And speak my mind, speak as I see it. See the Member for Placentia does not know when to be quiet. The Member for Burin - Placentia West was up yesterday and gave a speech, a great speech, the usual great speech of the Member for Burin - Placentia West, and he was talking about the Premier and the Cabinet and he said his two good buddies, the Member for Placentia and the Member for Carbonear, should certainly be included in the Cabinet. I could not hear quite plainly what he said about them, but he said they would certainly 'en' something the Cabinet - I do not know if he said enhance or not. I said to him, if said they would certainly enlarge the Cabinet, then you would certainly be accurate.

AN HON. MEMBER:

They would certainly add a lot of weight.

MR. MATTHEWS:

Yes, a lot of weight to the Cabinet.

One other question I raised a number of times, Mr. Speaker, on the Budget was the middle distance

fishing effort. The Province has the boats up for sale. They have not had very high bids on them, so that has caused a lot of concern, as the Minister of Fisheries has announced over the last few days, made public, but still there are \$310,900 allocated in the Budget for middle distance fishing. I do not know why that is. I am sure there is a reason, but that is something that stands out for me when I look at the Estimates of the Department of Fisheries; \$310,900 still budgeted for middle distance fishing when there is no middle distance quota, it is to be done away with. The Province has put the boats up for sale, there is no fishing, yet you still budgeted \$310,900 for the middle distance effort. Maybe when someone reacts over there they could probably get the answer. I would be interested in knowing why that is budgeted, because that again is a concern.

Of course, tied into the whole middle distance debate is that now we see the Province, which was so adamantly opposed to the middle distance effort, wanted it eliminated, particularly the Minister of Social Services, now the Minister of Fisheries is going to the Federal Minister trying to get a reinstatement, an allocation of fish for the middle distance effort, which is sort of another roundabout change of face by the Government. I would like to refer to the comments yesterday as well by the Member for Lewisporte. He stood in his place yesterday and gave a very good speech, I thought.

AN HON. MEMBER:

An excellent one.

MR. MATTHEWS:

I did not say excellent. I said very good. Most of his speech was

very good. He read a fair bit from the papers. I had not read the particular issue of the paper he read from yesterday so I caught up on a lot of the news in that particular issue of the paper. After, of course, he was sent a number of papers to keep him going. His speech was almost ruined completely when he was talking about the Budget, how prudent it was, and everything else. For awhile I stopped and said, why would the Member for Lewisporte get up and read a speech written by the Minister of Finance?

Then what really threw me was when he referred to the Minister of Finance as Leonardo Da Kitchen. I had a hard job getting up this morning and say what I said about the Member's speech after he made such a statement. There is no doubt it will be remembered as a masterpiece. Then there were other Members who talked about no intelligent questions from the Opposition on the Budget. We have asked pretty straightforward questions on this Budget, and I referred to them earlier this morning. How much will the Minister get from the private sector on his payroll tax? How much will he get from the Federal Government on his payroll tax? How much will he pay himself on the payroll tax? He has not been able to answer those very simple questions we have asked so why, I say to the hon. Member for Lewisporte, why would we ask this Minister of Finance any intelligent questions on this Budget, when you know before you ask them, there is not going to be an intelligent answer, or any answer whatsoever? We found that all the way through.

AN HON. MEMBER:

(Inaudible) questions.

MR. MATTHEWS:

Before you ask questions you have to sort of know the ability of the person you are asking to answer, so you try and construct your questions accordingly. If I asked the Member for Placentia how old he was I would expect him to be able to tell me. I would expect him not to tell me, so you have to judge yourself accordingly. We thought that these were very important questions that the private sector, and everyone else out there, should know about this Budget. They were very straightforward, simple questions.

To just react to the comment by the Member for Placentia again, you remember in last year's Budget when the Minister of Finance said we were not the highest taxed people in Canada, and we asked him how he arrived at that conclusion, because all we ever heard was that we were the highest taxed people. Then he got all balled up, remember the media and everything, then he came and admitted that he did not understand the formula. Remember? But that was an intelligent, complicated question, so we did not get an answer on that and we cannot get answers on the straightforward stuff. Now, that is the problem with the Minister.

I think it is best for the sake of the Minister of Finance that the Member for Placentia should be quiet because all he is doing is gearing me up for more attacks on the Minister of Finance. I spent just about all last year attacking the Minister of Finance and I do not want to do that this year because the man must be getting sore now. He has been beaten and battered so much that he must be

getting sore. I just want to say to the Minister of Education as well, who grins over there and calls me his old buddy every time I get to my feet, because he thinks I am going to take a few cracks at him. My old buddy over there understands because he was Minister of Career Development. You understand do you not?

DR. KITCHEN:

Yes, I agree, too.

MR. MATTHEWS:

I agree Phil. He agrees with everyone. He has not said no to anyone now in over a year. He has not said no to one single person or delegation. I agree with you. There could be two groups in a room that asked the Minister for two opposite conflicting things and he agrees with both right there. I agree with you. Talking about Budgets, I call upon him again to leave the headquarters of Eastern Community College where it is because if you are talking budgets and you are concerned about dollars in this Province, you are going to cost yourself more money by relocating an already established headquarters. It just makes sense. You are going to cost yourself money. Why are you going to do that with a well established headquarters for Eastern Community College already established at Salt Pond?

As I said earlier -

AN HON. MEMBER:

(Inaudible).

MR. MATTHEWS:

Long-term what? You were up earlier yesterday and in the last couple of weeks looking at the long-term of saying putting her in the hole. Well if you would spend less money you should get her out

of the hole. If you spend more money you will put her in the hole. Now in this situation you are going to spend more money needlessly so you are contributing to putting her in the hole, as you refer to it. So why do you not leave it as it is. It will service the Eastern Community College region just as well being located in Salt Pond as it will in Clarendville or anywhere else.

There is no educational value to relocating the headquarters of any community college in this Province - educational value. If it was going to improve the education on the Clarendville campus of the Eastern Community College then I would be all for it. I am for better education in this Province. I am for getting a bigger bang for the educational dollar in this Province. How could anybody in their right mind be against that? But relocating an administrative headquarters is not going to improve the education in Clarendville.

AN HON. MEMBER:

(Inaudible).

MR. MATTHEWS:

There is no difference you see. If you have five campuses with a headquarters established somewhere, so educationally there is no value to wherever it is located. It is already established so why do you not leave it there. So what is the other reason for moving it? I see the Member for Bonavista down there grinning and smiling and trying to show his face as if he has something to do with it. Perhaps he had something to do with it because Bonavista is, as well, in his District.

AN HON. MEMBER:

Efford agrees with it.

MR. MATTHEWS:

No, John is a big factor in this move. You have been after the Minister of Education to get that off the Burin Peninsula. I know how you get on.

MR. EFFORD:

What?

MR. MATTHEWS:

Yes, you have. I know. You got up this morning saying you are not political and other things. I told you you are the most political Minister over there. You are the most partisan Minister over there.

MS VERGE:

No, the Member for the Strait of Belle Isle is.

MR. MATTHEWS:

No. The Minister of Social Services. Besides being the Minister for the future -

AN HON. MEMBER:

(Inaudible).

MR. MATTHEWS:

I am just telling you how he is. He can be all what I am saying he is and still be great.

MR. SIMMS:

He should be the Premier.

AN HON. MEMBER:

He stands up to the Premier. Yes, he does.

MR. MATTHEWS:

Every time you rub a sore spot with him he holds up the old pickle factory, he calls it. He refers to Bev's Special Dip, is it? I must say I got a charge out of that myself. I enjoyed that this morning. There is no doubt

about that. But, Mr. Speaker, I would like to get back for the few minutes I have left to the issue that is most troublesome for me right now in the Province concerning the Province and to the people I represent, and that is the state of our fishery.

While I fully recognize, and I have said before, both levels of Government have a responsibility in addressing this very, very serious issue. But all that I have seen and heard from the Premier and the Minister of Fisheries and consequently the Provincial Government on this is casting blame on the Federal Government, which I have no difficulty with whatsoever. Because if you are at fault you are at fault and you consequently have to take your share of the blame. But there is one thing that has troubled me about this whole debate over the last number of months, and that is, that this Premier and this Minister of Fisheries and this Government has really not accepted that they are the Government of Newfoundland and Labrador. They are the Government first responsible to the people of Newfoundland and Labrador.

We are talking about our most important and most traditional industry employing more people than any other industry in this Province. And a lot of that is being threatened. What really throws me is that I have not seen the Government outside of its \$9 million, \$10 million, I do not know how much it is going to be spent, \$9 million, \$10 million, or \$12 million offer to the two major fish companies for an extended notice period.

Now that is great and I appreciate that. I am glad of it and I said

it publicly when it happened. Thank God. At least it gives us eighteen or twenty-four months to keep people working for part of the next two years so that everybody can get behind the wheel and try to find something else for those people over that period of time.

But what I have seen, and particularly what has come to light over the last couple of days, and all the talk about diversification that we heard - no one is against economic diversification. I wish Doug House all the best in the world as I have said here before, but you should be dealing with economic diversification with or without a crisis in your most important industry. Every Government has been and should be involved in it. In trying to diversify and improve the economy of the Province. But you do not do it on the back of your most important industry. And you do not use your most important industry, you sort of disguise and hide behind it to put forward suggestions to the Federal Government for things that when you look at where they are proposed for, geographically and otherwise, you can see no relationship.

MR. CARTER:

That is not right.

MR. MATTHEWS:

The Minister is telling me I am not right. I am telling you what I think and what I have seen and what I have heard. That is why I am saying what I am saying today. And as I said, if I am proven wrong and I am embarrassed I will be the happiest most embarrassed person in Newfoundland if that happens. Okay? Now that is what I am hoping for. But what

frightens me is when I look at Dr. House's list that has been sent to the Federal Government and I look around the Province and I see where fish plants are already closed or where they will be closing, and where you are proposing to spend the bulk of this money that he is asking the Federal Government for, the bulk of the money you are asking for, and when you tell them where you want to spend it, it is in areas that have the highest per capita income in this Province and have the lowest unemployment rates.

When you size it up and look at it, that is what you see. And that is what throws me because the people in Grand Bank, and in Gaultois, and Trepassey and everywhere else have been lead to believe by this Government that you were looking for an economic diversification program to specifically help them in their communities. Now if that happens, and the Premier shakes his head as if to say - I do not know if he is saying I am wrong or I misunderstood or what, but all the people out in the communities think that is what the Premier was talking about. That he was going to get something else for them because they are being kicked out of the fishery for no fault of their own.

Now when all of this comes home to roost over the next while I hope there is something for Grand Bank, Trepassey and Gaultois, and Twillingate, and Piccadilly and Cape Ferolle, Fermeuse, all around the Province. Some twelve of them already closed up. But when I looked at what Dr. House proposed to the Federal Government and saw what he has proposed, there is not too much mention in that for your Grand Banks, or your Trepasseys.

Now, maybe somewhere else there is, and I hope it is.

And then the other frightening point is, as we have learned today, that the only other concrete proposal put forward by this Government and by this Premier was on the 2nd of April.

Three weeks ago you sent something to the Federal Government in writing asking them, with all this talk about preparation and being ready. And you admitted when you announced the \$12 million that you were not ready. And we see on April 3rd, a letter being sent to the Federal Government from this Premier suggesting what should be done to address this crisis. Now that is disturbing because I am sure the people out and about the Province thought you had done it months ago. And why was it not done months ago? I will suggest why it was not done months ago. I think it is highlighted in a response that you sent to the Member for Green Bay. When he wrote you, you replied about five weeks after, and you said something to the tune, 'As you know time has not been my own as of late.' And I think therein lies the answer. That the most important issues of this Province, the backbone, the most important industry is coming unglued in this Province while we have seen this Premier and this Government preoccupied with - not saying with matters that are not important to the Province - but they are not most important to this Province.

And you can say whatever you want. When you speak you obviously speak your mind as I speak mine. But I think this Premier has been too preoccupied with constitutional matters while the most important industry in

this Province and communities that were founded on the fishery - the real reason why they are there is the fishery - are coming apart at the seams, Mr. Speaker. And with that I conclude my remarks.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
The hon. the Member for Eagle River.

MR. DUMARESQUE:
Thank you very much, Mr. Speaker. Once again I am very proud to be able to speak in this hon. House. But I must say that I am particularly happy today to speak to this particular budget. And over the next half an hour I would like to indicate to this House and to all hon. Members and through to the public why I am so happy to support this particular budget.

I want to indicate to this House why I support it on the basis of its commitment to Liberalism, because I think over the last three weeks or so people have been getting different visions of what is in this particular budget, and I think now it is time that it be put into perspective. It is time, again, for the people out there to realize exactly what happened on budget day because as we all recall on budget day all the old clichés that usually have to be attached to the response to the budget had to be thrown out of the window by the Leader of the Opposition because they did not seem to work on this one, they did not seem to work.

The old things about fiscal irresponsibility the old things about how there have been an abdication of social justice, the old thing about how there has been

a bungling and tax increases and the horror and the lesser fortunate people of our society who once again have been given it into the gut again, all those cliches, Mr. Speaker, had to be thrown out the window because this Government came through with a superior effort in its Budget Speech and its allocation of the resources with which this Government has to operate with, and I think that has met resounding approval throughout this Province.

I also want to, in a number of things, to illustrate what this Budget has done for Eagle River, what the commitment has been for Eagle River. But as I indicated from the outset, the first thing I would like to do is set the record straight again. To set the record straight in this House as to how this Government has responded to Liberalism and the principles of the Liberal Party. I want to illustrate how they responded to social justice and how they responded to people who are less fortunate, people who cannot, through no fault of their own, help themselves.

I want to illustrate this by looking at some of the allocations which have been made into the Budget. For Health Care. I want to illustrate that by saying: look at the facts, look at the figures that are there, look at the sixty-eight new beds which are going to be opened this year as a result of this particular Budget. I also say, look at what the commitment has been to the nursing profession of this Province, look at what is going to happen now, look at what has happened since when this Government has been able to bring a contract in for the nursing profession of this

Province that has never, never been there before, and it is because of our commitment to that profession and our commitment to that particular sector of our economy. In Social Services, Mr. Speaker, in Social Services: for so long we had the draconian policies of the previous Government being paraded around this Province where there were people out there, Ministers out there saying, there is no way we can solve it, there is no way we can do anything about it, there is always going to be inequality, they had given up before they even started.

What an attitude for the Government of the day to put out there when the Government fails to take on its responsibilities how do you expect the people out there to follow them? In Social Services, Mr. Speaker, for this coming year there will be a real and comprehensive commitment to the social working profession of this Province, through the health care and that particular Budget, the nursing profession was certainly illustrated, but also now, we have seen that the social work profession has been taken up and really given a push by this Government. The fact that there are going to be fifty new positions, fifty new social workers this year are going to be hired and put into the system throughout this Province is another real and long standing commitment to seeing our Social Services responsibilities met and I commend the Minister for doing that particular thing. Another hallmark of course of social justice, Mr. Speaker, is Education. That is another hallmark of Liberalism also. It is one that has captured the imagination of this Government and

through the Minister of Education, we have seen a dramatic overhaul of the education system through the white paper, which again has met such glaring and unequivocal approval from the people of this Province. Never have we seen a White Paper, a discussion paper, a paper setting out general direction, never have we seen something that has gotten such approval across the land, far and wide, from the NTA, from the school boards, from the general public, in general. Never have we seen it. And also, Mr. Speaker, not too long ago I had been down at Memorial University. Not too long ago we had to struggle to get meetings with the Government through our Student Council, we had to struggle with different commitments in trying to get the Government of the day to adjust their programs to meet the needs of the students.

And certainly, Mr. Speaker, the students of Memorial were uneasy again this year as they always have been, because there was a built-in feeling that there was not any real consideration being given to the students and the younger people of this Province over the years. We have become adjusted to the fact there is no real commitment to education. It was always a haphazard and certainly no real commitment to the whole area of education and what it means for the development of our economy.

But what did we do? Did we again fall down on our responsibilities? Did we again say to the people of this Province you have no hope? No, Mr. Speaker. What we said to single parents was we are going to give you a concrete commitment of \$500,000 to see that you are able

to access education. We said to the people who are depending on student aid we are going to see another million dollars put into the student aid program of this Province. We are going to reassure you in no uncertain terms about our commitment to the education system and the people in that education system who need to have equality of education, equality of access to education. That was the kind of commitment, Mr. Speaker, that we have made.

Of course it is another indication of what a Budget does comes through the fiscal responsibility that is accentuated by the document. And, Mr. Speaker, of course nobody exemplifies the Budget any more than the Minister of Finance. The Minister of Finance in this Province had to come into his position knowing full well that the money markets of this country and indeed the international money markets were looking upon Newfoundland with a little bit of apprehension.

They were looking upon Newfoundland as somebody who could not get their financial act together. They were looking at resent Budgets of the previous Government and saying, why they cannot even square it up on current account. It was not a very good situation to come into, Mr. Speaker. We came into the situation when we had the economy on a general sense on a downside, the fishery was starting to look bad, quotas had to be cut. There had to be things done. Then, of course, there was the double whammy of the Federal Government coming out and saying, we are not going to increase the payments to the provinces any more under the equalization programs to health and education.

I think, Mr. Speaker, that the people of this Province owe a deep debt, owe a deep sincere appreciation to the Minister of Finance for bringing together the situation that he had, the money that he had to deal with and the commitments that this Government intended to make and said we would make to health and education and economic development, the people of this Province have come to realize that right now, Mr. Speaker, we have the best Finance Minister that there ever was in Newfoundland and Labrador.

SOME HON. MEMBERS:

Hear, hear!

MR. DUMARESQUE:

We have seen this Minister being able to come to grips with those real commitments that have to acquire substantial funding. We have seen him to do that. And what did he do, Mr. Speaker? Did he increase all the taxes? Did he increase the personal income tax? Did he increase the sales tax up to 12 per cent as it was going? Did he increase it like that, Mr. Speaker? Did he say to the poor people of this Province, you are going to have to pay again because this is the philosophy of this Government? Of course not, Mr. Speaker. He brought in fiscal responsibility.

SOME HON. MEMBERS:

Hear, hear!

MR. DUMARESQUE:

He brought in a cutback on the expenditures of this Province and expenditures of this Government that have turned into real savings and real fiscal management that is long overdue. Certainly and I know that there is no doubt that there is a lot more comfort now in the money markets of this country

and this world to the fact that Newfoundland has finally come of age. Newfoundland is finally getting her hands around the problems she has to deal with and has finally been able to get an Administration that has taken hold of these problems and approached them with good, commonsense solutions and certainly, unequivocal financial management.

Now, Mr. Speaker, I would like to spend just a couple of minutes on Eagle River. I would like to say a couple of things about what this Government, through this Budget, has done for Eagle River and the people of Labrador. Because, you know, it is no mystery, it is no secret, that the people of Eagle River have never voted Tory. It is no secret that they have never made a commitment to the Tory philosophy. But I can tell you something else, Mr. Speaker, it is no secret in this Province about what the Tory government did to Eagle River for the last eighteen years.

SOME HON. MEMBERS:

Hear, hear!

MR. DUMARESQUE:

There is no secret about the fact that there is not one community in the District that has a water and sewer system. There is no secret about the situation that for 80 per cent of the people, we do not have a connected road throughout the District. It is no secret, Mr. Speaker, that we have four or five communities that are only able to go to Grade IX in their educational levels, and the people in the communities are failing intentionally, because they cannot afford to go or do not want to go, and cannot leave their families at thirteen and fourteen years of age. That is no secret. It is no

secret that Pinsent's Arm and Norman Bay, Paradise River and William's Harbour do not even have a path to walk around. That is no secret. We have had Ministers of this previous government stand up here and say, 'Yes, I was down there visiting them. I went there in our helicopters and we met with the people of these communities.' But I say, Mr. Speaker, there is no secret about the lack of concern and consideration given to those people, simply because they voted Liberal for the last eighteen years.

SOME HON. MEMBERS:

Hear, hear!

MR. DUMARESQUE:

What has that government done to the people of Eagle River and to its main industry, its fishery? What has it done to the people of Black Tickle, people who have been there for all those years struggling to try to make ends meet from their fishery? For the last eighteen years, the people of Black Tickle have been asking for decent facilities so they could bring in their harvest and be able to put it into a decent place to process and store it.

For the last number of years, people have been saying to this previous government that we wanted a community stage. It is not a big thing, Mr. Speaker. Most things like this are taken for granted. But what did this Government do? This Government immediately saw to it that the money has now been put in place for a fifteen-room community stage in Black Tickle.

SOME HON. MEMBERS:

Hear, hear!

MR. DUMARESQUE:

What did it do, Mr. Speaker, for the people in William's Harbour, another small community on the Coast of Labrador, which had a debilitating fishplant in their community. It was falling down around their ears and not because the previous Government was not aware of it. We have had I do not know how many Ministers and Deputy Ministers, I guess, and people who accompanied their Ministers going into this particular community, and they could never understand how a community like this could expect to have something done about their facilities. There were so few people. But did this Government cater to the large centers? Did this Government cater to only the places that have the extra large tax bases? No, Mr. Speaker, the people said, through this Government that Williams Harbour will have their new fish plant. This year we are going to make that first commitment of a second phase and it will be done this year and the people there will have a decent facility to process their fish in.

SOME HON. MEMBERS:

Hear, hear!

MR. DUMARESQUE:

Another thing, Mr. Speaker, that people have to realize about the Labrador fishery. For the last eighteen years in particular, the people of Labrador and the people of coastal Labrador in particular have been saying, 'What are we getting from our fishery. What are we getting from our resource. What is the Government going to do about it.' What are we saying to the people of Labrador through all their policies all over the years? What we were saying, Mr. Speaker, was that the Labrador coast and the people on the Labrador were only people to visit

during the summer time. It was only a place to go. It was never a place to land fish and process fish, it was never a place to really contribute to good meaningful long-term jobs. It was never a place to do that, Mr. Speaker. There was never a mechanism in place before that looked at the lack of transportation facilities and a system of transportation and collecting of fish along the coast of Labrador.

What did this Government do? What did this Government do? This Government said that we are abiding by the principle of adjacency. The previous Government never got the road links down across the coast of Labrador, they never put them there, but this should not mean that now we should not have any commitment to them. So what this Government has done is contribute \$300,000 to make sure that that transportation link is provided so that the people of coastal Labrador will have their fish distributed along the coast, the plant workers can have meaningful and long-term employment and our economy will have the stability that it has not known for recent years and our people will have more comfort I can tell you this year than they have ever in the past.

SOME HON. MEMBERS:

Hear, hear!

MR. DUMARESQUE:

I would be remiss, of course, if I did not speak about our federal counterparts and what they have done for the fishery on the coast of Labrador. We have seen the decks being changed somewhat on the federal level. We have seen a new Minister, Mr. Speaker, being

put in place. The Minister who had the unfortunate circumstances come about him where he was driving one night and had to veer suddenly and went into a brick wall without his helmet on, that was the Minister now that they have put in place for fishery policy in Canada. And you know, Mr. Speaker, obviously when people have accidents, we all have them, there are going to be repercussions from accidents. Certainly, any accident you have when in an automobile or any kind of traffic accident there is a possibility of whiplash which sometimes accompanies that.

Sometimes after a few months you have something come back, maybe a kink in your back, maybe a little twitch in your neck, but, Mr. Speaker, today the people of the Province and of the country realize that the ultimate whiplash has overtaken Mr. Valcourt. His brain has obviously gone out through his ears. His brain is obviously gone. His first major speech to the people of this Province on fisheries policy in this country was that the fishermen of this Province are not real fishermen. They are saying to the people of Port de Grave that they are not real fishermen. The people of Flatrock are not real fishermen. The people of the South Coast are not real fishermen. They are a conscientious people who are going out there and saying I am going to get ten weeks so I can sit back for forty-two. That is what he said.

SOME HON. MEMBERS:

Shame, shame!

MR. DUMARESQUE:

That is the policy that this hon. Opposition props up. That is the

policy that this hon. Opposition likes to flag. This is the policy that this Government is going to take obviously great concern with and we are going to deal with. We are going to come into this hon. House, as we did last fall, with a commitment to the fishery of this Province and a commitment to the people of rural Newfoundland. We have brought in the only financial commitment that was made to date to the fishery of this Province, and that is to the people in Trepassey, Gaultois, St. John's, and other parts of the Province. What we are seeing, Mr. Speaker, is obviously a real change. What we are seeing now is a Government that took over and had to deal with a financial mess. It had to deal with a policy that was being perpetrated onto this Province that was perpetrated by a Prime Minister who said, of course I am not afraid to inflict prosperity on the people of Newfoundland and Labrador. Of course not. And he went to the Cabinet table every time in Ottawa and said this is the policy for the people of Newfoundland and Labrador. Of course it was. And that is why Mr. Valcourt said, there are no fishermen there. They are just people going out consciously to try to get ten weeks to sit back for forty-two. This is the Minister who obviously does not understand that the fishermen of this Province have no other alternatives, Mr. Speaker. They do not have those alternatives, Mr. Speaker, as they do in the bigger areas of this country.

MR. GRIMES:

They are trying to derail everything we are doing now.

MR. DUMARESQUE:

But to conclude, Mr. Speaker, I would like to say I am very proud

to be here today and stand up and defend this Liberal Budget,

SOME HON. MEMBERS:

Hear, hear!

MR. DUMARESQUE:

This Liberal-minded philosophically based Budget. This Budget which has brought social justice and financial accountability and responsibility back into the hands of the people, Mr. Speaker, and one of the Budgets that is going to contribute to the absolute decimation, I would say, of the Opposition Party and the reign, for a good long time, of sound financial policies for this Province, and sound concrete ideas on how to further the social and economic growth of our citizens.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MS VERGE:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Humber East.

MS VERGE:

Thank you, Mr. Speaker.

The Member for Eagle River unlike many of his colleagues, at least uses Liberal rhetoric. However the numbers in the Minister of Finance's Budget document do not deliver on that kind of rhetoric.

The Member talked about education being a hallmark of Liberalism. What do the Province's school boards say about this Budget, Mr. Speaker, I will quote from a prepared release of the Newfoundland and Labrador

Associations of School Trustees. They say: 'It is by far the most regressive Budget for Education in living memory.' What does the Member for Eagle River have to say about that 'the most regressive Budget for Education in living memory.'

Now, Mr. Speaker, the Budget estimates are supposed to be honest and full guesses of revenue and expenditure. The estimates are supposed to reflect all the information in the possession of the Government. The estimates are supposed to address all foreseen developments over the next year, yet, Mr. Speaker, the Minister of Finance has admitted that the estimates are not full, honest or accurate, and he said he is going to have to change the estimate either by bringing in Special Warrants at the end of the year, or perhaps by bringing in supplementary supply.

We, the Opposition, have exposed the Finance Minister's bungling of the payroll tax. One local editorial writer called it an impulse tax. Obviously the Finance Minister, the Premier, and other Members of the Government, did not know what they were doing when they announced the payroll tax and that was the one and only new revenue initiative of the Government this year. All the other revenue initiatives that take money out of the pockets of consumers this year as well as last year were announced in last year's Budget. Mr. Speaker, the Minister says that the payroll tax is going to bring in to the coffers of the Province \$15 million net, with the tax coming into force on August 1st, he has either been unable, he has certainly been unwilling to explain to us how he calculated

that estimate. Clearly the tax will be collected from private sector employers, it will be collected from utilities, the Telephone Company, Hydro, Newfoundland Light and Power, it will be collected from food wholesalers, the grocery store chains, corner stores, it will be collected from all the businesses in the Province of any size at all. All with payrolls more than \$300,000 a year, with the exception of the newsprint mills and the fishing companies as well as any agricultural businesses of any size. Mr. Speaker, yet, the Minister cannot tell us how much he estimates to collect from the private sector through the payroll tax. He cannot tell us how much he is going to collect from Provincial agencies that are under the umbrella of the Provincial Government. And as the Member for Grand Bank said, that is the most shocking admission of the Minister.

Mr. Speaker, quite apart from the Minister's bungling of the budgeting for the payroll tax, both on the revenue and the expenditure sides of the budget, the whole philosophy of the tax has to be faulted. This tax is not related directly to employers ability to pay, it is not a tax on profits, it is a tax on payrolls. And, Mr. Speaker, the Maritime Provinces, which in many instances compete with our Province to attract businesses and to attract head offices do not have a payroll tax. So this tax is going to discourage businesses from locating in our Province, from centering their executives in our Province, or from expanding in our Province. This tax is going to depress economic activity in our Province. The Government of Manitoba, having had a payroll tax for a few years, has now concluded

that, in fact, it is an economic depressant and therefore the Manitoba Government will be phasing out the tax.

Mr. Speaker, I mentioned that the Minister of Finance last year announced several revenue measures which will reduce consumers spending power. Those measures are being phased in. Last year, the Minister announced a two point increase in personal income tax - the Provincial personal income tax rate. One point was introduced last year and the other was added this year, 1990. Obviously a cumulative effect. The corporate income tax rate was increased in last years budget, and of course, that higher rate is still in place. And perhaps, most significantly of all, last year the Minister announced the removal in three stages of the \$30 million Government subsidy for rural power, a subsidy paid Newfoundland Hydro.

So, Mr. Speaker, cumulatively the Finance Minister's measures announced last year and this year are taking more than \$80 million out of the pockets of ordinary Newfoundlanders and Labradorians.

Mr. Speaker, it is almost 12:00 and I will adjourn the debate.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Speaker. On Monday I intend to call the first of the concurrence debates, I would like to inform Members opposite.

AN HON. MEMBER:

Which one?

MR. BAKER:

Whichever one appears first on the Order Paper. I have no preference. So I call the concurrence debates.

Mr. Speaker, I move that the House at its rising do adjourn until 2:00 p.m. on Monday, and that the House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Monday, at 2:00 p.m.