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Speaker: Honourable Thomas Lush

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The House met at 2:00 p.m.

Mr. Speaker (Lush): Order, please!

Before going on to the routine business of the day, on behalf of hon. Members I would like to extend a warm welcome to forty Grade XII students from Stella Maris School, Trepassey, in the District of St. Mary's - The Capes, accompanied by their teachers, Mrs. Viola Coombs, Mrs. Sharon Power and Mr. Ted Winter.

Some Hon. Members: Hear, hear!

Statements by Ministers

Mr. Speaker: The hon. the Minister of Development.

Mr. Furey: Mr. Speaker, I apologize I do not have a written statement but I want to inform hon. Members that I just had the privilege of opening the Newfoundland and Labrador Craft Development Association's Annual Christmas Show at Memorial Stadium, and to tell hon. Members that this is a very important industry to our economy.

I am not sure how many members realize it, but it generated some \$10 million in the economy last year and was responsible for 1,500 full and part-time jobs. And I am especially pleased to tell hon. members that these jobs are not concentrated in any specific geography, but they are all around the Province and they are particularly important to rural Newfoundland.

This Government, of course, Mr. Speaker, continues to exempt from taxes crafts which are produced in this Province, and I worry as

Minister responsible for the industry what impact the goods and services tax will have on our producers.

But hon. members should know that there are 100 exhibitors at Memorial Stadium and the crafts are top-notch crafts; they are produced in our Province and I think you would be very proud, as I was, to go down there and have a look around and see what this means to our Province. So I would ask hon. Members, and I would ask the media in particular, to publicize and to promote this industry which has tremendous growth potential.

It is not just crafts, Mr. Speaker, that are produced for domestic consumption in our own market place, but I am also proud to tell you that many of these crafts are produced and exported around the world. I think we should all take great significant pride in the producers of crafts in this Province. Thank you very much.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Member for Torngat Mountains.

Mr. Tobin: Thank you very much, Mr. Speaker.

Mr. Speaker, I want to compliment the Minister on opening this particular fair. At the same time, I should note that for six years I was Craft co-ordinator for Labrador, before I entered politics, and I must say that during the early 70s, Labrador Crafts played a very prominent role in Newfoundland and Labrador.

But I want to say one other thing to the Minister. The Minister

expressed concern about the GST on crafts. I want to say to the Minister, and also he should say this to the Minister of Finance, that I want him to assure all craft producers in this Province that our Province will not put a tax on the Craft industry in this Province. I hoped the Minister would have said that today to all craft producers in this Province, that there will not be any sales tax added to the craft industry in the future, in this Province. Thank you very much.

Mr. Speaker: The hon. the Minister of Fisheries.

Mr. Carter: Mr. Speaker, on May 1 of this year, I tabled in this House the formal response of the Government of Newfoundland and Labrador to the Independent Review of the State of the Northern Cod Stock (the Harris Report). Government concurred fully with the overall thrust of the findings of the Harris Report, and endorsed its recommendations.

On October 25 the Federal Government released the Dunne Report - the Report on the Implementation Task Force on Northern Cod.

I am happy today to table our formal response to the Dunne Report, that I have submitted to the Minister of Fisheries and Oceans.

Mr. Speaker, as the covering letter of our formal response indicates, we support the overall thrust of the report, particularly for its approach to the setting of biological, ecological and socio-economic goals. While we do have concerns about some of the recommendations of the Dunne Report, we feel that, for the most

part, it faithfully reflects and advances the recommendations of the Harris Panel Report.

Mr. Speaker, I will not in this statement address our response to each of the recommendations of the Dunne Report. However, there are some I would like to highlight.

Given the scientific advice surrounding the 2J, 3KL cod stock, and taking into account the findings of both the Harris and Dunne Reports, it is Government's position that if the priority fisheries management objective for northern cod is stock rebuilding, then the total allowable catch must be reduced from its current level of 200,000 metric tons.

For 1991, we would support a total allowable catch in the 170,000 ton to 185,000-ton range, given the Dunne Report finding that 'the inescapable conclusion is that stock rebuilding must be started with an immediate, even if modest, reduction in catch.'

The existing low spawning biomass of 2J, 3KL cod gives us cause for concern about the future of the stock. For this reason, we fully support management measures that will accomplish the biological goal of increasing the spawning biomass well beyond existing levels.

An immediate catch reduction of northern cod is critical if the stock is to be rebuilt to an acceptable level.

Mr. Speaker, one of the socio-economic goals of the Dunne Report is that allocation priority be given to the inshore sector. This continues to be one of the most fundamental policy positions of the Province relative to the

management of 2J, 3KL cod. We remain fully sensitive to the role which this stock plays in the Newfoundland offshore fishery, and we cannot accept any reductions of the inshore allowance that would result in increased volumes of northern cod being landed by non-Newfoundland based effort.

We also fully concur with the Dunne Report recommendation that historical dependency and adjacency be priorities in future allocations of fish. In fact, this position is one this Government has always advocated. This recommendation, Mr. Speaker, is particularly significant in the context of inter-provincial sharing of stocks in Newfoundland waters.

As I have already stated, Mr. Speaker, while Government supports the overall thrust of the Dunne Report and fully concurs with some of its recommendations, we have a concern about some others.

We have, for example, concerns about the recommendation that in the next three years there should be no new cod trap operators licensed to fish in 2J, 3KL. While we recognize the need, under present resource circumstances, to control new effort in this sector, it is our position that the participation of fishermen who may not have fished their traps over the past several years should not be compromised by such a restriction. We could not support such a restriction being applied to Coastal Labrador fishermen, in particular, those north of Cape Charles.

Mr. Speaker, there are a number of other recommendations that we agree with, but feel should not be applied to Coastal Labrador. We

can, for example, support restrictions on new entry into the 35-65 foot fleet category, but we could not support such controls being imposed on coastal Labrador fishermen. Nor could we favour the proposed restrictions on 'new' cod trap effort being applied in coastal Labrador. And, while we agree that appropriate measures should be taken to control capacity increases in the inshore sector, it is our position that special regional circumstances - such as those in coastal Labrador - must be taken into consideration, especially with respect to the modernization of the 35-65 foot vessels.

There is another issue of vital importance to Labrador and the northeast coast of this Province that I would like to bring to the attention of this House. This relates to the Dunne recommendation that the movement of additional fishermen and vessels from all divisions into Division 2J be frozen. The recommendation states that fishermen from outside Division 2J with a record of historical participation in this area can continue to fish in Division 2J, and that historical participation will be based on a majority of the past three years.

Mr. Speaker, the Province can not accept any arbitrary guidelines that will erode historical Newfoundland based participation in the 2J,3KL fishery but that permits 'new' effort participation based upon some arbitrary measure such as a presence in the 2J fishery in two of the previous three years. The historic rights of Newfoundland fishermen over centuries and generations should not be abrogated and undermined by a measure that bases participation

upon a presence in that fishery in two of the previous three years. Nor should we legitimize new effort, particularly by Quebec fishing vessels, into the 2J fishery by such a measure.

We also have reservations about the recommendation that multi-year TACs be used to reach a fishing level of Fo.1 and continued thereafter to maintain stable catches and reduce pressure for major upward revision. We feel this approach should not be applied to 2J,3KL cod until such time as the scientific information base for this stock is further refined and the stock is rebuilt to an acceptable level. We feel that if multi-year TACs are established before deficiencies in the biological information base are corrected, there would be a tendency to resist downward adjustments.

Another recommendation, Mr. Speaker, I will address is the one advising that by January 1, 1991 the minimum mesh size for otter trawls in the directed 2J,3KL cod fishery be increased. It would not be fair to impose such a requirement at such an early date, for two reasons: Studies should be undertaken to determine if there is a need to move to larger mesh gear in the offshore sector; if studies substantiate a need, the Province would fully support such measures. Secondly, it is unfair to the offshore sector to expect conversion of mesh size to be done in time for a January 1 implementation. I have addressed these concerns in a November 19 letter to my Federal counterpart.

In closing, Mr. Speaker, I would like to reiterate that, despite concerns we have with respect to some recommendations, our overall

response to the Dunne report is a positive one. We support the overall thrust of the report which, for the most part, faithfully reflects and advances the recommendations of the Harris Report.

Mr. Speaker: The hon. the Member for Grand Bank.

Mr. Matthews: Thank you, Mr. Speaker. I would like to thank the Minister for a copy of his statement prior to the House beginning. I would have liked to peruse the statement than I had on such an important matter, the Government's reaction to the Dunne report. Let me say to the Minister that for the most part I concur with the Province's position to the Dunne Report and to the Harris Task Force, but there are some points that I think need some commenting on. On the bottom of page one he talks about the scientific advice surrounding the 2JKL cod stock, taking into account both the findings of Harris and Dunne.

I would just like to say to the Minister that I reflect upon reading, I think it was the Province's official submission to the Harris Task Force, where there was reference made in that submission that the spawning stock has increased three fold since the establishment of the 200 mile limit. That sort of jumped out at me and immediately was flagged because if the spawning stock has increased three fold then that sort of puts into doubt really what is happening with the cod stocks, because if there is three times as much fish spawning then it would sound logical that there has been an increase in the overall size. In saying that, I

would like to say to the Minister that there is still so much question and doubt about scientific data and scientific studies on our cod stocks that I do not think it would be appropriate to draw any strict conclusions on what is happening offshore yet. Having said that, of course, I realize that it would be totally irresponsible not to take some action in case the scientific evidence is somewhat accurate. We cannot take the risk of gambling with the future of the cod stock, and consequently gambling with the future of the economy of the Province.

I would like to say to the Minister, I read on page two of his statement that he would support a total allowable catch in the 170,000 to the 185,000 ton range. I would say to the Minister it was my understanding that as a result of this meeting just a few days ago with the federal minister and his atlantic counterparts that he reported that the Minister recommended a total allowable catch of 170,000 metric tons. If that is the case, then we will see a reduction of 27,000 metric tons.

An Hon. Member: 170,000 to 185,000 tons.

Mr. Matthews: That is what you recommended. So, you gave the federal minister that leverage. If that is the case we are still going to see a reduction of between 20,000 and 27,000 metric tons, somewhere in that range, which is quite significant particularly depending upon what sector or sectors the reduction is going to come from. It seems obvious from the Minister's statement as well that the Province is very supportive of the

inshore allowance not being touched whatsoever. If that is the case there is only one other place for the reduction to come from and that is off the offshore allowance, which would be quite significant when just this last year we have seen three communities slated for closure. With a further reduction I am just wondering what impact that will have on the towns of Grand Bank, Trepassey and Gaultois in 1991, whether or not these plants will re-open. And I wonder out loud if the Minister has consulted with Fishery Products International and other fish companies in the Province to see what impact a reduction of 20,000 metric tons will have on their operations. So, Mr. Speaker, there is not too much I can disagree with in this Minister's statement. He talks about Labrador quite a bit, and of course the Labrador fishery deserves notable comment from not only the Minister, but from the Harris report, from the Dunne report. We have had a number of debates in this Legislature over the last year or so about the Labrador fishery and the fishery in general. I know the problems they are experiencing there as well. There is only one comment I make about that in reference to people fishing, going in from outside to fish and so on, that the question has to be raised to just how parochial we can become with our own fishery. Fully recognizing that the principles of adjacency and historical dependency must always be exercised, and that has been the traditional policy position of Governments in Newfoundland and Labrador since 1949 and perhaps before that.

An Hon. Member: (Inaudible).

Mr. Matthews: The Member for Eagle River is over there saying not true, but that has always been the position of Governments in this Province, that allocations should be made on the principles of adjacency and historic dependency. I say to the member that my only question in the debate that was raised a few weeks ago was how parochial can you become as to where Newfoundlanders and Labradorians can or cannot fish. We have to be careful that we do not become too overly protective about our own areas and our own fishing grounds.

Mr. Speaker, I do not know what the problem is with the Member for Eagle River. He can have a chance in debate to say what he likes. But having said that, Mr. Speaker, I thank the Minister for his statement and for the most part I support the Province's position and reaction to the Dunne Task Force.

Oral Questions

Mr. Speaker: The hon. the Member for Humber Valley.

Mr. Woodford: Mr. Speaker, my question is to the Minister of Forestry and Agriculture. Yesterday, during Question Period I asked the Minister about letters he had written to the Newfoundland Farm Loan Board and the Farm Credit Corporation. My questions asked him to confirm that he had in those letters instructed the agencies not to issue any loans to farmers who may want to increase their dairy herds until the Agricultural Products Marketing Board had conducted a comprehensive review of dairy quota allocation procedures. The

Minister categorically denied that he had written those letters and challenged me to table the letters in the House. Mr. Speaker, I tabled the letters last night in the House, and I want now to ask the Minister: did he know when he answered my questions yesterday that he had signed a letter to the Newfoundland Farm Loan Board on October 19, 1990 stating, 'I hereby instruct your board to defer all applications from licensed dairy producers who are applying for a loan to increase their herd sizes over last year's level. This is to be effective as of October 3, 1990, and until such time as the review is completed.'

Mr. Speaker: The hon. the Minister of Forestry and Agriculture.

Mr. Flight: Thank you, Mr. Speaker.

I can tell the hon. Member that I was aware that I had written letters to the various loan boards, and I was also aware that I had not instructed in any letter the Newfoundland Farm Loan Board to not issue loans to producers who wanted to bring their herds over the levels that they had that year. I knew that I had categorically not issued that particular instruction. The instruction I did issue to the Newfoundland Farm Loan Board was to defer, effective October 3, any applications from producers for loans for the purpose of increasing the size of their herds until the Review Committee had reported. Now, Mr. Speaker, if I could take a second to tell the hon. Member - that knowing that I had written letters to the board, and knowing that I had not issued orders not to - or instructed the Loan Boards not to issue loans, I

called my - knowing that I had not instructed the Loan Board - not given them instructions not to issue loans, I called my office immediately after Question Period and I asked one of my Executive Officers to look at the file of letters that I had sent recently, and I might put out, the letter was almost a month and a half ago, that I had written to the Farm Loan Board. My official read the letter to me by phone, I asked him to bring the letter up, and in fairness, Mr. Speaker, in view of the point of privilege, I could have stood on my answer. I could have stood on my answer and said, no, I did not sign such a letter that issued an instruction not to issue loans, but in fairness to the Member, Mr. Speaker, and realizing that the letter was of the same subject content, it talked about loans to producers, realizing it was to the banks that he had named and in fairness to him I realized that this indeed may be the letter that the Member was referring to, and out of a concern not to have given the member wrong information, inadvertently or otherwise, I approached the Speaker within half an hour after Question Period, as soon as I had received the documentation, I approached the Speaker and suggested to the Speaker -

Some Hon. Members: Oh, oh!

Mr. Flight: Just listen for a minute. I suggested to the Speaker that I was concerned, that I had inadvertently given what might be debated as being wrong information to the House and I asked him when it would be appropriate for me to rise and clarify the situation. I did not see it as a major thing at that point in time, and we had agreed,

Mr. Speaker, I think we had agreed, and it will be up to His Honour to confirm, we had agreed that I would rise when the House sat at 7:00 o'clock and take advantage to explain the situation, Mr. Speaker.

Mr. Speaker: The hon. the Member for Humber Valley.

An Hon. Member: No deals.

Mr. Woodford: A supplementary, Mr. Speaker. Did the Minister know when he answered my question yesterday that he had signed a letter to the Farm Credit Corporation on October 19, 1990 stating, and I quote, 'Specifically I am requesting your corporation to defer all applications from licensed dairy producers who are applying for a loan to increase their herd capacity over last year's level to be effective as of October 3, 1990, and until such a time as the review is completed'.

Mr. Speaker: The hon. the Minister of Forestry and Agriculture.

Mr. Flight: Mr. Speaker, I am aware that I would have written a letter to the Farm Credit Corporation. I obviously interpreted the member's question, misinterpreted, didn't interpret it properly, and took advantage of the first chance, the opportunity I had to explain. But let me point out something else with regard to that particular letter to FCC. The fact is, and the Member will well know, the tenor of his questions yesterday was that I had instructed FCC not to issue loans.

Some Hon. Members: Oh, oh!

An Hon. Member: I thought you said you were right?

Mr. Speaker: Order, please!

Mr. Flight: The fact of the matter is, and the Member just read the key words. I have no jurisdiction over FCC, I asked them for their co-operation. I could not instruct FCC not to issue any loans. I simply asked for their co-operation and pointed out why I was requesting that co-operation, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Member for Humber Valley.

Mr. Woodford: Mr. Speaker, if he knew he had no jurisdiction over them, why did he write the letter in the first place?

Some Hon. Members: Hear, hear!

Mr. Woodford: A third supplementary.

An Hon. Member: (Inaudible).

Mr. Woodford: Interference I call it.

A third supplementary, Mr. Speaker. Did the Minister know when he answered my questions yesterday that he had received a letter dated November 2, 1990 from the Chairman of the Newfoundland Milk Marketing Board which said in part and I quote 'The Newfoundland Milk Marketing Board cannot fully support your instructions to the Newfoundland Farm Loan Board or your request to the Farm Credit Corporation'?

Mr. Speaker: The hon. the Minister of Forestry and Agriculture.

Mr. Flight: Yes, Mr. Speaker, I was aware that I had received such a letter. I was also aware that I had taken the letter, read it, and written instructions to my officials to determine the validity of some of the things that the Newfoundland Milk Marketing Board was suggesting as a result of the review. Mr. Speaker, the letter - my response to the Chairman of the Newfoundland Milk Marketing Board has not been sent. So I was not about to talk about a letter that a - the letter that the Member is referring to now was in the hands of my officials with a response being prepared for me, Mr. Speaker. Yes, I was aware of the letter.

Mr. Speaker: The hon. the Member for Humber Valley.

Mr. Tobin: Yesterday, he said, he did not write it.

Mr. Woodford: Did the Minister know when he answered my questions yesterday that on or about the 20 of November, just over a week ago, he had signed a letter responding to the chairman's letter of November 2, 1990? And will he table a copy of that letter so as to complete the documentation now before the House?

Mr. Speaker: The hon. the Minister of Forestry and Agriculture.

Mr. Flight: Mr. Speaker, I am totally aware of the letter and the problems that the Newfoundland Milk Marketing Board had with the - or at least they expressed the concerns they expressed. Mr. Speaker, a letter is being prepared in response to that particular letter. I have written literally dozens of letters to the

Newfoundland Milk Marketing Board, Mr. Speaker, and the specific letter to which he refers, I will take under advisement and in the next few minutes I will let him know whether that letter has actually been responded to or not.

Mr. Speaker: The hon. the Member for Humber Valley.

Mr. Woodford: Will the Minister confirm that the Milk Marketing Board advised him against the deferment of loan applications because of the effect on producers who had already made investments and firm plans to increase their production within their existing quotas, in accordance with the existing quota allocation policy, and will he also confirm that the Milk Marketing Board was concerned that they could be open to liable action by producers for any loss revenues that could have been realized from such loan approvals?

Mr. Speaker: The hon. the Minister of Forestry and Agriculture.

Mr. Flight: Mr. Speaker, let me give the hon. Member and the hon. House the reason that I have requested and instructed and asked for a review of the quota policy. From the time that I arrived in office, some time last May, of 1989, I have had official meetings requested by producers, represented by the Milk Marketing Board, for a review of the allocation policy. I have met literally - out of the seventy-six producers, probably a third of them have found a way one way or the other, by phone, by meeting in person, to complain to me and to mention concerns they had about the allocation policy.

All of Newfoundland will remember

the CBC program, with a lady from Lethbridge, I think, telling the general public how she was forced out of business after putting ten or fifteen years and her life savings into it because of the unfairness of the allocation policy. And then, Mr. Speaker, the straw that broke the camel's back was this: Some time in August, a producer in this Province decided he was going to make an appeal against the decision of the allocation policy committee. I received a three or four page letter from the Milk Marketing Board telling me why they did not intend to allow the Newfoundland Agricultural Products Marketing Board to hear that appeal, and Mr. Speaker, the reasons they gave were unacceptable.

I was faced with the proposition of costing this Province anywhere, if you go by the cost of other appeal boards, I was faced with having to set up an appeals tribunal, and we had just finish one that cost this Province in excess of \$100,000, and I had to make a decision, Mr. Speaker.

Mr. Tobin: (Inaudible) the letter, Mr. Speaker.

Mr. Flight: So the decision, Mr. Speaker, was to - with all the reasons I had to have the quota policy reviewed, that was the one that told me the right thing to do was to ask for a review; it stopped the appeal process and saved the Province what might have been in excess of \$100,000, and was finally going to deal with all the inequities and all the concerns related, of which I became aware with regard to the quota allocation policy.

So, Mr. Speaker, I was aware of -

Mr. Speaker: Order, please!

Mr. Flight: - everything that the Member -

Mr. Speaker: Order, please!

The hon. Gentleman is taking a long time to answer the question.

The hon. the Member for Humber Valley.

Mr. Woodford: In view of the serious implications of the Minister's instructions to defer loans, had the Minister discussed the issue fully with the officials before forwarding the letters to the Farm Loan Board and the Farm Credit Corporation on October 19th, and could he further inform the House if he had discussed the decision with his Cabinet colleagues?

Mr. Speaker: The hon. the Minister of Forestry and Agriculture.

Mr. Flight: Mr. Speaker, when the decision was made to have a review of the quota allocation policy, that decision was made in conjunction with the Milk Marketing Board. I do not know how many meetings took place within a period of three or four days, but several meetings took place, they guaranteed their co-operation, they supported what I was proposing to do. They had concerns and I addressed those concerns. And let me say, Mr. Speaker, for the benefit of the members, with regard to the letter I wrote asking to have no loans issued effective - as he says, no loans issued, I say deferred.

Mr. Speaker, to date, since the review has started, there have been two applications from the

producers of this Province for loans. Both have been dealt with, both have been approved. So, Mr. Speaker, where is the big hardship that I created for the producing industry?

Some Hon. Members: Oh, oh!

Mr. Speaker: The hon. the Member for Humber Valley.

Mr. Woodford: Mr. Speaker, that is why the applications are not in. Because they know they are not being looked at. When the Minister received the response from the Chairman of the Milk Marketing Board in which he raised concerns about liability, did he discuss this issue with Department officials, and did he seek the legal opinions from the Department of Justice?

Mr. Speaker: The hon. the Minister of Forestry and Agriculture.

Mr. Flight: Yes, Mr. Speaker, every meeting held with regards to the setting up of the review of the allocation committee, my senior officials were present, a solicitor from the Department of Justice was present at every meeting, and every official that should have been present or that it would have been appropriate to have had present in helping me get the facts and putting me in a position to make a decision. Yes, Mr. Speaker. Including - and I might tell the hon. member that the solicitor for the Milk Marketing Board was also present.

Mr. Speaker: The hon. the Member for Humber Valley.

Mr. Woodford: A final supplementary, Mr. Speaker. In view of the significance of the

Minister's decisions, the number of letters he sent and received between October 19 and November 20, the discussions he held with officials and colleagues, and the serious concerns of liability raised by the Milk Marketing Board, how can the Minister justify his claim that he inadvertently misled the House when he denied sending letters to the Farm Loan Board and the Farm Credit Corporation, and when he categorically denied having given instructions to those agencies not to process loans from the dairy industry until such time as the dairy quota allocation was completed?

Mr. Speaker: The hon. the Minister for Forestry and Agriculture.

Mr. Flight: Mr. Speaker, the hon. Member yesterday accused me of - as we got into the point of privilege - deliberately misleading the House. Mr. Speaker, I am in a position now - and I am not a lawyer, I am not trained in the law - but I can table the two letters that I have written, and I am now in a position to accuse him of deliberately misleading the House.

I never ever wrote or signed a letter telling any one of the Farm Credit banks to not issue loans. I told them to defer applications. There is a big difference, Mr. Speaker. So the last question is not to be (inaudible).

Some Hon. Members: Oh, oh!

Mr. Speaker: The hon. the Leader of the Opposition.

Mr. Rideout: Thank you, Mr. Speaker. Mr. Speaker, in

listening in the last few minutes to the Minister's answers I thought that since yesterday he had been injected with a truth serum. But after listening to the last answer he gave, I do not know what he had, Mr. Speaker. I do not believe he knows himself.

An Hon. Member: Is that a question or a (inaudible).

Mr. Simms: What business is it of yours?

Mr. Rideout: Like some people on the other side, Mr. Speaker, I will wait to begin again.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order please! Order please!

Mr. Rideout: Mr. Speaker, yesterday the Minister of Forestry and Agriculture categorically denied in Question Period, and Hansard bears this out, sending letters regarding loan approvals to the Newfoundland Farm Loan Board and to the Farm Credit Corporation of Canada. The Member for Humber Valley eventually was able to get those letters tabled in the House, Mr. Speaker, which proves beyond a doubt that the Minister did in fact send the letters.

Now, Mr. Speaker, the Member for Humber Valley yesterday also quoted from a letter to the Minister dated November 2, from the Chairman of the Milk Marketing Board, advising the Minister that the Board could not support that kind of directive to the farm lending agencies. Now, Mr. Speaker, in view of the fact that most people would have difficulty believing that the Minister could not recall sending out those

letters only a month of so ago, and in view of the fact that it would be even more difficult to believe that the Minister could not recall receiving a response from the Chairman of the Milk Marketing Board only twenty days or so ago, I want to ask the Premier, does the Premier have any concerns about the honesty and integrity of the answers provided to this House yesterday by his Minister of Forestry and Agriculture?

Mr. Speaker: The hon. the Premier.

Premier Wells: Mr. Speaker, I have none whatsoever about the Minister, my concern is with the integrity and the honesty of the hon. members who keep misrepresenting what was asked.

Let me quote, Mr. Speaker, the question that was put, not whether he sent any letters truly reflecting what was in it, here is what the member asked and I will quote now: 'Would the Minister now confirm that he has instructed the Newfoundland Farm Loan Board not to issue any loans to farmers who would want to increase their dairy herds until the study is finished?' The Minister confirmed that he has not instructed.

An Hon. Member: He tabled the letters.

Premier Wells: He tabled the letters and he, the Minister, went after and got the letters. He knew that he had not given any such instruction, he then went and got the letters. He was concerned about it and he went to Mr. Speaker and said, Mr. Speaker, when can I have an opportunity to advise the House of this? This is what he just told us, this afternoon. And for the hon.

members opposite to make those kinds of statements about a Minister who performed his duties with diligence, and honesty, and integrity, and for members opposite to contort it and misrepresent and twist and put the position in this way, I have no doubt about which individual has the integrity and which individuals do not.

Mr. Speaker: The hon. the Leader of the Opposition.

Mr. Simms: The best defence is an offence.

Mr. Rideout: Thank you, Mr. Speaker. After listening to the master of verbal allusion, there is no wonder the Minister got on the way he did in this House yesterday. The Premier just quoted the question from Hansard that the member asked, and he quoted it properly. Let me quote for the Premier the Minister's letter of October 19 to the Chairman of the Newfoundland Loan Board, and let me quote the paragraph - it is only short - in its entirety, Mr. Speaker. The Minister wrote the following: 'In view of these circumstances, I hereby instruct your board to defer all applications from licenced dairy producers who are applying for a loan to increase their herd sizes over last year's level.' Exactly, Mr. Speaker, the phrase that was used by the Member for Humber Valley in his question to the House yesterday. Now, Mr. Speaker, in view of the Premier having now heard the exact words of the Minister, is he still not concerned about the integrity and honesty of the answer the Minister provided yesterday?

Mr. Speaker: The hon. the Premier.

Premier Wells: Mr. Speaker, I have no concern whatsoever about the integrity of the hon. Minister for this reason.

Mr. Rideout: Not him, the answer.

Premier Wells: I have no concern about the integrity of the hon. Minister for this reason.

An Hon. Member: What about his answer?

Premier Wells: Mr. Speaker, he answered it, as he thought yesterday, correctly.

An Hon. Member: As he thought.

Premier Wells: He was concerned to make sure that he informed the House properly and he did everything that any minister could reasonably be expected to do.

Some Hon. Members: Oh, oh!

Premier Wells: I know they do not want to hear the truth, but he did everything that any reasonable -

Mr. Speaker: Order, please!

I would advise hon. members that interruptions when we are dealing with this matter is not enhancing the debate and it is not helping the answers. There is room for supplementaries and members can ask the supplementaries.

The hon. the Premier.

Premier Wells: Thank you, Mr. Speaker. The Minister did everything that could ever be expected of any reasonable person. He had some concern. He himself had the concern that his answer may not have been specifically accurate so he went immediately and got the letters

that he thought dealt with the matter, and he saw and was concerned that his answer may not have been accurate. He went immediately to Mr. Speaker, Question Period having been over, and said, 'Mr. Speaker, when can I have the first opportunity to advise the House that I may -

An Hon. Member: (Inaudible).

Premier Wells: I am still the one to whom the question was asked and if members opposite would have the courtesy of letting me answer it they will know what, in fact, happened. So, he went to Mr. Speaker - I did not know anything about it - and said: Mr. Speaker, when can I have an opportunity to advise the House that I may have inadvertently mislead the House. And Mr. Speaker, told him - I do not know what he told him - I suppose he told him when it could be done. Before he had an opportunity to do it -

Mr. Speaker: Order, please!
Order, please!

I just heard the Member for Torngat Mountains apparently make a reflection on the Chair. Did I hear the Member for Torngat Mountains say that there was a deal made? I will check with -

Mr. Warren: (Inaudible).

Mr. Speaker: Order, please!

I want the hon. Member to make an unequivocal retraction of what he said.

Mr. Warren: There was no deal made, Mr. Speaker.

Mr. Speaker: The hon. the Premier.

Premier Wells: It is totally

unacceptable behaviour. The Minister did totally what was correct, and before he had an opportunity to inform the House that he may have inadvertently mislead them, somebody raised a point of privilege, I understand, and it was debated as a point of privilege. I believe that is, in fact, what occurred. I was not in the House when it happened, but I am told that is what occurred.

Now, Mr. Speaker, that standard of performance and that standard of integrity I commend, and I can say to this House that I am very proud of it.

Some Hon. Members: Hear, hear!

Premier Wells: The standard that I see in this House today I am somewhat ashamed of frankly, Mr. Speaker.

Some Hon. Members: (Inaudible).

Mr. Speaker: Order, please!

The hon. the Leader of the Opposition.

Mr. Rideout: Yes, Mr. Speaker, the Premier should be ashamed. A Member who has been in this House for the better part of fifteen years has to go to the Speaker and ask him when he can rise to correct a statement that he made in the House. What foolishness and nonsense, Mr. Speaker. The Member knows he can rise on a point of order or a point of privilege anytime to correct the record if he made a wrong statement. What a foolish nonsensical retort, Mr. Speaker.

Now, Mr. Speaker, let me ask the Premier this: in view of the fact that the Minister in the debate or discussion on the point of

privilege yesterday evening said, and I quote, from page jb-1 of yesterday's Hansard, the Minister said, 'I may have been playing games, really.' This is the preliminary transcript, Mr. Speaker. It has been changed in the original -

An Hon. Member: (Inaudible).

Mr. Rideout: I will get to it. Because it is changing back I say to the Minister.

Mr. Speaker: The hon. the Minister of Forestry on a point of order.

Mr. Flight: Mr. Speaker, we will have to get the Hansard, but I surely did not, Mr. Speaker, never yesterday did I say that I was playing games. There was some reference to the opposition playing games with this issue, Mr. Speaker.

An Hon. Member: No Sir.

Mr. Flight: That was the issue, Mr. Speaker.

Mr. Speaker: Order, please!

There is no point of order.

The hon. the Opposition House Leader.

Mr. Simms: Why did the Minister of Forestry raise the point of order?

Some Hon. Members: Oh, oh!

Mr. Simms: Because it gives me an opportunity to point out to Your Honour that the Unedited Edition of Hansard transcribed the words 'I may have, playing games, really'. That is the unedited transcript..

An Hon. Member: (Inaudible).

Mr. Simms: The first official edited transcript that came out today, said, 'They are playing games', as the Minister just tried to allude to. But I will point out to him now that I have just had delivered the final official edited transcript, because I went up and listened to the tape myself, and the final official edited transcript is 'I may have - playing games'. Now, Mr. Speaker, that (inaudible).

Mr. Tobin: (inaudible) changed the tapes.

Mr. Simms: So argue that all you like.

Mr. Speaker: Order, please!

Mr. Simms: No, he did not change the (inaudible).

Mr. Speaker: There is no point of order. And I have just forgotten where we were. I saw the Premier rising. Was the Premier up for a question?

The hon. the Leader of the Opposition.

Mr. Rideout: Thank you, Mr. Speaker, as I was saying, in view of the fact that the Minister indicated, and it is now clearly shown in the official transcript from Hansard, that he may have been playing games in answering those questions yesterday. And in view of the fact, Mr. Speaker, that this goes to the heart of honesty and competency as far as the Ministry goes, Mr. Speaker, is the Premier prepared to have Ministers stand in this House and play loose with the truth in answering questions, and say they are playing games, say they are

doing something of that nature when they should be answering questions honestly, Mr. Speaker, and truthfully to members of this House?

Mr. Simms: Right on!

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Premier.

Premier Wells: Mr. Speaker, I read from the only official transcript that I know of, it is laid on the desk and this is what is there and we will see if there is any reason to correct it.

An Hon. Member: (Inaudible).

Premier Wells: No, Mr. Speaker, this is the official transcript that we have at the moment.

An Hon. Member: (Inaudible).

Premier Wells: I do not know what the hon. members opposite - I have no idea what the hon. members opposite have or where it came from or anything, but the clerks distributed around this Assembly today -

Some Hon. Members: Oh, oh!

Mr. Simms: Mr. Speaker.

Mr. Speaker: Order, please!
Order, please!

Is the hon. Member rising on a point of order?

Mr. Simms: Yes.

Mr. Speaker: A point of order.

Mr. Simms: Mr. Speaker, I am reluctant to raise a point of order, but I mean I must tell the Premier that this is the note from

the Editor of Hansard, because I went up earlier today, after this transcript came out, because I was certain what the Minister said, we both listened to the tape. It was as clear as a bell, and the words are 'I may have been playing game or I may have - playing games', the word 'been' is not very audible. The rest of it is quite clear. And he sent me down a note and he said this is the final official edited transcript, signed by the Editor of Hansard. And if the Premier would like I would certainly send a copy because we will have it in the new edited copy, but he should be aware that is the edited transcript.

Mr. Speaker: The hon. the Premier.

Premier Wells: Mr. Speaker, I do not know what the hon. Opposition House Leader did up in the room or what he said to the -

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!
Order, please!

Mr. Rideout: Who was up there from your staff today?

Mr. Speaker: Order, please!

An Hon. Member: Three of them.

Premier Wells: Nobody that I know of.

An Hon. Member: (Inaudible).

Mr. Speaker: Order, please!

There is no point of order. The point of order has been dismissed. I assume that the Premier is answering the question posed by the Leader of the Opposition.

The hon. the Premier.

Premier Wells: Mr. Speaker, I have no idea what occurred in the Hansard Room. But I would ask Your Honour to find out if you would, please, and determine the correct - I have no idea. I do not accept at this moment what the hon. Opposition House Leader puts forward, because I have the transcript that was delivered to me and I will go by that and deal with the question in the context of that until Your Honour advises me -

Mr. Simms: Mr. Speaker, another a point of order.

Mr. Speaker: Order, please!

Premier Wells: - that another transcript has been identified..

Mr. Speaker: A point of order, the hon. Opposition House Leader.

Mr. Simms: I am not going to stand here and take that kind of innuendo thrown by the Leader of the Government of this Province.

An Hon. Member: That is right.

Mr. Simms: Suggesting that I may have done something. If he is going to quote from that Hansard transcript he has there, read the front cover. It says the Preliminary Report. I have here the final official edited transcript of that particular page. Now the Premier should take my word for it, it is factual and accurate. I advised the Speaker. So if he is going to answer the - let him answer the question and not play foolish games again.

Mr. Speaker: To the point of order. With respect to the Hansard, the Chair will check

that. And if there is a corrected version hon. Members will have the corrected version.

The hon. the Premier.

Premier Wells: Thank you. Now, Mr. Speaker, I have asked you to do that and you - I have asked you to determine what the correct version is. In the meantime I am operating with the only thing that I know to be official, and I will answer the question in the light of that. Now, Mr. Speaker, here is what I read: "They are playing games, really. I may have inadvertently -" and then there is a lot of oh, oh, and the hon. Minister went on to say: "It depends, Mr. Speaker, on the interpretation one puts on the letter."

Now, Mr. Speaker, whatever was said, or whatever the Minister did not -

An Hon. Member: (Inaudible).

Premier Wells: Mr. Speaker, whatever was said or whatever the Minister -

An Hon. Member: (Inaudible).

Premier Wells: I will start again. Whatever was said -

An Hon. Member: (Inaudible).

Premier Wells: - whatever was said - I trust the Speaker to do it. And I have complete confidence in the Speaker determining what the true Hansard is. And we will deal with it when it arises.

An Hon. Member: (Inaudible).

Premier Wells: Now - we will deal with it when Mr. Speaker

determines what the correct version of Hansard is. Now, Mr. Speaker, in terms of dealing with this question, whatever was said about playing games or about not playing games, I have no quarrel with the Minister's action in going immediately, getting out a letter, and coming to a conclusion that he may have inadvertently misled the House, going to Your Honour and saying: when is the appropriate time for me to advise the House that I may have inadvertently misled them?

Now the hon. Members opposite do not like that. And they do not like the fact that the Minister displayed such integrity and such honesty and such sincerity because they thought they were going to greatly embarrass the Minister or the Government, and they failed. So they are in a state of being very upset, Mr. Speaker. I can understand it in the circumstances.

Mr. Speaker: The hon. the Leader of the Opposition.

Mr. Rideout: Mr. Speaker, when we can't depend on the truth and the accuracy and honesty of answers in this House, yes, I say to the Premier, we are very upset!

Some Hon. Members: Hear hear!

Mr. Rideout: The Ministers over there, Mr. Speaker, are taking their cue from the Premier. Now yesterday, Mr. Speaker, the President of Treasury Board, in defending the actions and the answers of the Minister of Forestry in this House, said that the Minister, and to quote the President of Treasury Board as reflected in today's Hansard, if the Premier wants to know, 'the Minister was only skirting around answers' quote, unquote.

Now I want to ask the Premier. The President of Treasury Board said the Minister of Forestry was only, quote, 'skirting around answers' unquote. Now I want to ask the Minister, is that the standard that the Premier expects of Ministers in this administration when they are asked questions? To skirt around answers, to not be truthful, to be dishonest, to do the best they can to deceive this House and the people of Newfoundland and Labrador?

Some Hon. Members: Hear hear!

Mr. Speaker: The hon. the Premier.

Premier Wells: No, Mr. Speaker. The standard that Ministers are expected to maintain in this House is to advise the House frankly and honestly and fully. And all Members know that that is the standard that is expected. Now if the Minister of Forestry and Agriculture felt concerned as a result of the answer, he obviously did, and he went and he got the detailed information and he took the appropriate steps within a reasonable time. Now I was not in the House, I do not know what the President of Treasury Board said, but I will read -

An Hon. Member: Page R55, yesterday's Hansard.

Premier Wells: I will read Hansard and see what he said. But based on what I have heard from the hon. Minister's performance, Mr. Speaker, I would say that what he has done in seeking immediately to advise the House of any inadvertent misinformation meets the standard that I would expect. I expect all Ministers to make sure that they fully inform Members who ask questions. And

even though the question may not be precisely and specifically asked that may enable a Minister to skirt, if the Minister knows the reality and what is intended the Minister has a responsibility to ensure that accurate and full information is disclosed. And that is the right standard, Mr. Speaker.

Mr. Speaker: Question Period has expired.

Mr. Simms: Mr. Speaker, just on a point of order.

Mr. Speaker: The Opposition House Leader on a point of order.

Mr. Simms: Relative to the exchange with respect to Hansard, that particular line, I wonder whether it is clear enough, and I do not know if the Premier asked you, Your Honour, to check it out, but I wonder, would Your Honour be good enough to advise the House of the correct version of it, at the appropriate time, since it came up in points of order.

Mr. Speaker: Sure, will do.

Premier Wells: Mr. Speaker, I do not know whether I can address it or not, that is precisely what I asked Your Honour to do and I suggest that all hon. Members stay away from Hansard and get any corrected version from His Honour.

Mr. Speaker: Order, please! Order, please!

Mr. Rideout: Every Member has a right to go to the Hansard Office.

Mr. Simms: Every Member has a right to go to the Hansard Office.

Answers to Questions
for which Notice has been Given

Mr. Speaker: The hon. the Minister of Justice.

Mr. Dicks: Thank you, Mr. Speaker. The question was asked in the House some time ago, about the revenue that Government would obtain from the sale of, or from scheduling fees for Commissioner of Oaths and other positions. I believe it was in response to a question of the Member for Humber Valley.

The question was: Does new charge for Commissioners for Oaths apply to the mayors? The answer is, no, it does not. The other question was: What is the anticipated revenue? The answer is, last year, there were 471 applications for Commissioners of Oaths and their anticipated revenue is based on a range of between \$450 and \$525 per person, which equals \$11,250 to \$12,500 in revenue. Thank you, Mr. Speaker.

Mr. Speaker: The hon. the Premier.

Premier Wells: Mr. Speaker, I guess a week or ten days ago, I had undertaken to provide the breakdown for the \$130 million differential between the \$10 million surplus and a potential \$120 million deficit, and I had forgotten about it until I was reminded again yesterday. I have now obtained the information and there are three components to it.

The first is a reduction in federal transfers; it is mainly equalization and that totals \$68.8 million and then there is an estimated or projected possible reduction in provincial revenue. It is only estimated because we are projecting forward to March 31st, and that is projected on the basis of the performance up to that time to be \$29.9 million.

The remaining \$30 million, Mr. Speaker, is made up of seven components. One, is the employment generation program that totals \$6 million, but in respect of which we had an increase of \$5 million, because \$1 million was taken from other savings.

The second item, Mr. Speaker, is the anticipated additional requirement for social assistance because of the economic circumstances and because of the fact that the Unemployment Insurance regulations had not, up to that time, been changed, so that the variable entry requirements were not in place and that included an estimated additional \$4.8 million net of the federal contribution.

The third item was increased health care cost which include reclassification of the nursing assistants and increased costs due to hospital support and lab and x-ray settlements totalling \$6.8 million.

The fourth item was higher debt servicing costs that totalled \$6.7 million. The fifth item was additional funding for the Economic Recovery Commission and the Newfoundland and Labrador Development Corporation, which bill has since been brought before the House, as hon. Members will remember, for a total of \$3.3 million.

The sixth item is additional costs for education relating to Student Assistance and the Royal Commission totalling \$1 million and the seventh is, additional funding approved through supplementary supply in June of 1990, totalling \$1.2 million and that is the makeup of the \$130 million, Mr. Speaker. I will get

a properly typed copy and give hon. Members.

Mr. Speaker: The next item of business, it being Wednesday, we move to Orders of the Day.

Orders of the Day

Mr. Speaker: It is three o'clock and it is the resolution submitted by or presented by the Member for St. Mary's - The Capes.

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

Some Hon. Members: Hear, hear!

Mr. Hearn: Thank you very much, Mr. Speaker. It is a bit of a rough day to propose a resolution after the performances we saw here this afternoon. However, we are faced in this Province with a tremendous amount of uncertainty as to the future of our young people, and a lot of it depends upon the amount of money that is put into the field of education.

Over the last number of years; the Budget has been gradually increasing as the numbers of those participating in the educational process has been increasing. We have been narrowing the gaps between ourselves as a poor Province and the other more lucrative provinces in the country. We have come from 50 per cent of the Canadian average to 82 per cent of the Canadian average in relation to our contribution to education. And as I mentioned in previous discussions, when we look at the amount of money every working person in this Province puts into education we find that we contribute more per capita than anyone else in Canada, and that

shows a lot for what people think of the importance of education for their young people. However, despite the fact that over the last fifteen or twenty years we have been gradually trying to improve the field of education and to narrow the gap between ourselves and others we now see a regression and that is unfortunate. Two weeks ago, Mr. Speaker, we discussed a resolution which talked about cuts in funding to education at the primary, elementary, and secondary school levels, levels which affect a number of people in the galleries today, where we are threatened with a shortage of teachers, a freeze on funding to school boards, user fees, transportation fees, and on and on. Now, we also see that at the post-secondary level we are also faced with the same threats. I will read the resolution into the Order Paper, Mr. Speaker:

WHEREAS the Provincial Government has informed Memorial University of Newfoundland that it will not receive any increase in the level of operating funding next year, effectively reducing operating revenues by \$10 - \$13 million; and

WHEREAS the University has indicated that the freeze on funding may force restrictions on enrollment in 1991-92 even though the participation rate in Newfoundland and Labrador is 8.3 percentage points below the Canadian average;

BE IT RESOLVED that this House support improvement in funding to Memorial University to enable the University to continue its open admission policy.

So, what we are asking all members of the House to support is that

the House supports improvement in funding to Memorial University to enable the University to continue its open admission policy. When we talk about improvements in funding we are not talking about even enhancing what is going on in university presently, we are talking about maintaining what is going on at the university. When we see young students come through here day after day, many of them Grade 12, many of them with an university education in mind, they have always known that in the Province in recent years any high school student upon graduation who wanted to go to university had an equal opportunity to go there. Through our funding programs those who could not afford to go on their own were given assistance. Maybe it was not enough but it was a help, along with what else they could scrape up, but the one thing they knew was that they would not be turned away at the door of the university because of enrollment problems. It is the first time in history that if the present funding cuts are put in place, if the freeze is kept on, the freeze will eventually become a cut in their operation funding, then students next year - and this is according to the President of the University - next year might be turned away from the doors of the university.

The vice-president of administration and finance at Memorial has recently said that the provincial Government has already alerted the university not to expect any increase in the level of operating funding next year, and actually what that does is effectively freeze the funding and it will mean a \$10 to \$13 million shortfall. Now, we have been getting conflicting statements from the members, and

from the Premier in particular, in relation to the effect of the freezes, or the cuts, as most people say. Some people will lead you to believe that they are only asking the different boards and agencies, school boards, boards of regents, or whatever, to see what effect a freeze would have, whereas basically what these agencies have been told by officials is that there is going to be a freeze and you had better learn to live with it.

A number of factors will contribute to making up the \$10 million or \$13 million. The vice-president goes on to say, 'the greatest impact will be the increased salary costs to the institution next year, now that the staff has been unionized and their negotiating a salary package, there will undoubtedly be an increase in salaries. I ask the Minister of Education - I hope he is listening. He is not here to listen to the main focus of debate.

An Hon. Member: He is on Government business.

Mr. Hearn: I presume he is on Government business. But I say to the Member for Mount Scio who has told teachers that they should do their workshops on Saturdays and that if he had Christmas, Easter and Summers off he would not be complaining. Well, I say to that Member that the main business right now -

Mr. Speaker: Order, please!

The hon. the Member for Mount Scio - Bell Island on a point of order.

Mr. Walsh: If the hon. Member would like to read any portion of Hansard that includes all of the

statements he just made, I would be happy to hear them now, or he is welcome to apologize.

An Hon. Member: He should apologize.

Mr. Hearn: That is not a point of order, Mr. Speaker. He is just trying to waste my time.

Mr. Speaker: Order, please!

The hon. the Member for St. Mary's - The Capes speaking to the point of order.

Mr. Hearn: There is no point of order, Mr. Speaker.

Mr. Speaker: There is no point of order. The hon. the Member for St. Mary's - The Capes.

An Hon. Member: Wrong again.

Mr. Hearn: All the gentleman has to do is read Hansard himself to see what he said because teachers have copies of it anyway, and they saw quite clearly what the member said. But I say to him that the Minister of Education, if he is dealing with the business of Government, his business is to look after education in the Province, and right now there is no more important issue than funding for education whether it be primary, elementary, or secondary or to the post-secondary including Memorial University. And the Minister should be here listening and participating in the debate because maybe they can learn something, because unless they start listening to what the field is saying and start making decisions based upon reality and fact, rather than upon the advice of financial experts in the departments and in Governments who look at balancing a budget by just

cutting, cutting, cutting regardless of the impact, then the young people in this Province are in for a hard ride.

Mr. Speaker, I was mentioning that one of the major effects on the budget of the university next year will be the increase in salaries. How do you compensate? One of the suggestions for compensating would be to lay off some of the staff. When you lay off staff that means you cut programs. When the primary, elementary and secondary education budgets have to be cut by \$30 million, where do you get money like that? You get it by laying off teachers. And we have already been given the indication that anywhere from 300 - 500 teachers can expect to lose their jobs. What does that do to the quality of education in the Province? If we lay off teachers it means doubling up classes, it means going backwards again, Mr. Speaker, to where we were years ago.

The vice-president of the university goes on to say, 'in addition to the extra cost in relation to teachers salaries, the cost of inflation will add extra burdens that we will have to bear as an institution. In an institution like the university, the inflation rate is often considerably higher than normal consumer rate. Because we are dealing with a tremendous amount of technical equipment etc. costs escalate rapidly compared to the average cost of living costs in the Province or in the country. Therefore if they have to cut in this area, what does that mean, then it means a cut in the necessary materials, supplies, and technology in particular, that the university must use to keep up with the way things are changing

today in the world.

The university will have to take on extra costs of operating new facilities: a campus in St. John's, and the Sir Wilfred Grenfell College in Corner Brook. Expansion in the fine arts faculty at Grenfell will cost more money. They are also expanding the pharmacy program. All of these are extra costs. So are we asking that these not proceed? What about the suggestions of the White Paper? What about the amalgamation of the University and the Marine Institute? That cannot be done without cost, Mr. Speaker. What happens there? Who pays the extra costs?

And it might be a good time to ask, if the University, the one and only University we have, the main campus, Memorial University has reached the point where they have to lay off staff, where they have to stop purchasing new technical equipment that would be necessary, where they have to turn to young people coming up to the doors and say, sorry, we cannot let you in, when we have reached that point as we have now, what was the Premier doing a few months ago going around promising the second university for Newfoundland? And not only a second university, the one promised in Central Newfoundland, but a number of regional universities around the Province.

During the election campaign the Premier and many of his ministers and candidates were promising a university in Central Newfoundland, plus a number of regional universities. Everybody, said the Premier, should have access to a university education. Let us make it easy on them and build universities near home. And

now he discovers that they do not have money enough to keep the one university we have going. Just picture what it would be like if they had allocated x number of millions of dollars to build other universities. What would it do to the university system we have in this Province? Everyone knows the answer, especially the students. It would weaken and downgrade the system that we have and eventually destroy it.

So what we have seen, Mr. Speaker, is a complete and utter hypocritical act by the Administration in trying to convince people to support them because of their concern for education. And, of course, now we see their concern for education and the youth and the people in the educational field who work in this Province.

Mr. Speaker, in using again the words of the Vice-President of Administration and Finance at the University the bottom line is this: without any extra funding, we will have to find internal methods to meet these added costs and the Committee will provide advice in this area. What are some of the internal methods? It would mean they would have to look at all programs and activities in every area of the University. It is anticipated that areas of low priority will have to be cut. Now when we are talking about low priority at the University we are not talking about areas of low priority in the sense that they do not matter, it means they are in lower priority than some of the other areas which would have to stay in place, extremely important areas, where a number of the students who go there participate.

The impact on the present staffing

levels will have to be looked at. And, as I mentioned earlier, if it means reducing staff, reducing staff means a reduction in programs. 'We also', he says, 'have to seriously consider increasing our fees.' Right now the economy of Newfoundland is not anything to brag about. Many students who manage to go on to post-secondary education go there because of supreme sacrifices by their parents, by going out and scraping for employment themselves, many of them, and all of us know people who are at university, have to try to find part-time jobs in order to be able to stay at university. Many of them have to reduce the number of courses, and instead of finishing university in four or five years, it takes them six or seven or more, because they can only take three or four courses instead of the five or six they would ordinarily take.

And to make matters worse, the last couple of years they have been doing that successfully, now they find that if they reduce the number of courses, this Government has reduced the amount of the grant they are going to get in relation to the courses that they take. So whatever way the students turn they are getting hammered by this Government. With an increase in fees, including, he says - including - tuition fees and user fees throughout the university, and - and - Mr. Speaker, we may have to think about curtailing enrollment for the first time ever. We are not talking about the first time in recent years, we are not talking about the first time since we expanded the university, we are not talking about the first time since we opened the new university, we are talking about

the first time ever in the history of Newfoundland that the university might have to turn around and say to students, you cannot come in because we cannot afford to address your needs. That is pretty serious stuff.

An Hon. Member: This is a national economic problem.

Mr. Hearn: Mr. Speaker, the resolution is not a negative one. It is not condemning the Government for what it is doing. What we are doing is pointing out to them, because perhaps they are so caught up in their little world they do not realize what is happening in the field of education, what we are doing is pointing out to them the effect the decisions they are making are having on the field of education in the Province and the future of the young people.

And all the resolution is saying is, be it resolved that we, the Members here, many of them with people attending University, many more who will have sons or daughters going to University in the next few years, we are asking that we support improvements in funding so that teachers will not have to be laid off to reduce programmes, so that there will not be a downgrading of the University as we know it today, so that user fees and tuition fees will not have to be increased to prohibit students from going of their accord, and most importantly, so that the University of its accord will not have to turn around to people and say, you can not come in, because we can not look after your needs because of a lack of funding.

So, hopefully, Mr. Speaker, later on today we will get a chance to

summarize and once again stress the fact that we, as legislators, we are the ones who make decisions. We in Opposition have no control over this. All we can do is point out and ask people to think, to size up what is happening, and then to make decisions based upon priorities. And if there must be cuts in education, and I look with interest at the Member for Exploits, a former President of the Newfoundland Teachers' Association, listening to me with interest, knowing that he is going to get up in debate and solidly support what I am saying and ask his colleagues in Government, the Minister of Education, to carry the ball, and to convince the others who might not really realize the effect of funding cuts on education.

Because, I say to him and I say to the House, there is no fat in the education budget. It has been trimmed pretty finely over the years. And we can not afford just to cut for the sake of cutting. If cuts must come, they should come in areas where we can afford it, where they will have least effect. Certainly not on the future of our young people. Because if we look at the Province, how it has evolved over the last few years, we have not done too badly. And if we want to look at the lifestyle that we have in Newfoundland and the peace and the tranquility and the openness and the friendliness, there is a price that you pay. Maybe we are not the best off economically, but we have a lot more going for us. But it is becoming much more competitive, and our young people have to compete, not only with the other Provinces in Canada now, they have to compete with the world. So we have to give them

every chance. And we cannot afford to risk our future by taking away from their opportunity to move ahead and to find their place in the world that we know today.

So I hope, as I say, that Members will stand later and support the resolution, that this House support improvements in funding to enable the University to continue its open admission policy. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. Member for Carbonear.

Mr. Reid: Mr. Speaker, I will try to address first, to begin with, the resolution. I have problems with the opening sentence, the opening remark. It says, 'WHEREAS the Provincial Government has informed Memorial University of Newfoundland that it will not receive any increase in the level of operating funding for next year...' I do not have to go any further. I cannot find, on this side of the House, anyone to tell me that that has actually happened. There have not been any decisions made. Where the hon. member is getting his information I cannot say, and I can assure the hon. member in the House that this Government has not made any statement to that fact, that they will not. There is absolutely no decision made yet as it relates to post-secondary education, education, health, or anything else for that matter in this Province. And until the Government receives from every organization, be it education, health, or whatever in the Province, the reports and the reports are assessed, decisions are not made and will not be made

until that particular point in time.

So right from the very beginning, Mr. Speaker, I cannot, because it is a misinterpretation, as far as I am concerned, on behalf of the hon. member to say that the university will not receive any increase in the level of operating funding for next year. So I do not think that any of us on this side will be able to support this particular motion. I will say, though, Mr. Speaker, that as a prior or previous teacher to this position I have right now as the Member for Carbonear, I have no problems with standing in the House and supporting funding for education, increased funding for education, be it post-secondary, secondary, elementary or primary. I do not think anyone in this House in their right mind would get up and say contrary. I am certainly in favour of giving Memorial University and all the other post-secondary institutions in the Province as much money as we possibly can afford. It just happens that at this particular point in time the Province has found itself in a very, I suppose, restrained financial situation, and that every aspect of the Province has to be looked at to try and, I suppose, maintain the services that we are used to having up to this particular point.

The University, in particular, was asked by the Minister to report on the possible impact of a freeze - the possible impact of a freeze - on funding, and basically what that means, Mr. Speaker, is that they have said to the university, can you survive next year, in 1991-92 on the same amount of money you had in 1990-91? I know that the report has come back from the university, but final

decisions are not and have not been made.

Mr. Speaker, this Government, and especially the Minister of Education, has been going out in this Province consulting with all Government agencies, and in particular the education agencies, asking them if there is any way there can be some cuts made - if not cuts, to maintain the status quo and stay where we were as it relates to budgets from last year.

I was amused at some of the comments that my hon. colleague for St. Mary's - The Capes made, knowing that he was Minister of Education for quite some time himself. In fact, I believe, and I stand to be corrected, but I think he took over some time in 1985 and went up to the downfall of the previous Government. I am not sure of those dates. When I think back to the time, Mr. Speaker, and I guess yourself, when we were in the classroom teaching and we had to deal with the hon. member quite often, he was preaching basically the same types of things as this hon. Minister, the Minister of Education right now is preaching. I guess the shoe is sort of on the other foot, and I do not blame him, I guess, for making some of the remarks that he is making. But it sounds so ironic that this sort of thing continues, or has continued for such a long time, over a period of years.

I want to read you a couple of comments that I found in a bit of research that I did in the past few days - just a few comments on this. Post-secondary education in Newfoundland and Labrador is at a crossroads. While the post-secondary community strives to expand, its growth is inhibited

by the lack of funding received from both levels of Government. Both Government's economic policies act as a deterrent. In addition, the provincial Government must increase their grants to universities and colleges at a rate equal to the growth of the Gross National Product or population. A few more comments. The Province has an unemployment rate - I do not have to go into that, and compared to the national average it is still high. How critical is the situation at Memorial University? And this document was done by the Council of Student's Union at Memorial University. And listen to what it says: Despite an increase in the amount given to the school, which was the University, there is a shortfall of some \$5 million. This resulted in a number of services and staff positions being eliminated. These cuts include - listen to this, Mr. Speaker:

A layoff of four permanent and six contractual employees. Eliminating sixty-two jobs at Memorial University to project the cost saving of \$1.6 billion [?]. Thirty-six of these positions are faculty, twenty-six staff members. Shut down Channel 13, MUN's educational television station. Close Extension Services offices in Stephenville and Marystown. Cut back overtime and hiring of part time workers. Cut \$2 million from the capital works programme by putting off maintenance and repair work. And as a result of this particular Government making cuts to Memorial University the students say that these cuts literally will mean paying more and getting less. Increase in tuition, artificially high failure rates, less chance to help more professors or from

professors, lower quality of education and they go on.

And the ironic thing about all this, Mr. Speaker, is that this document was presented to my hon. colleague, who just stood in the House a few minutes ago, on May of 1986 when he was Minister of Education. Can you believe the hypocrisy of a Member to be able to stand in this House knowing full well that back in 1986 he did ten times more damage to Memorial University in his Government than this Government will ever dream of doing. Maybe it was through the lack of experience or whatever but....

I had to raise that point, Mr. Speaker, because it seems like every time I stand in the House I hear the same things over and over again. And I am wondering if some of my hon. colleagues on the other side are not going back and reading their own press statements and their own concerns that they had years ago, when they were asked questions by the other Opposition, or by the Opposition, and they are bringing them up today to use for questions for us. I will have the hon. Members sitting across from me take heed and pay attention to what I am saying because as far as I am concerned, and as far as the majority of people in this Province is concerned today, you could not find a better Education Minister then who we have in Dr. Phil Warren.

An Hon. Member: Hear hear!

Mr. Reid: The man has brought a lifetime of experience to the portfolio. He probably knows and I would not doubt that, and he must have, because even the Tories back in previous governments used

him to advise them, and now he is Minister of Education. A lifetime of experience in the educational field. What better person to have at this stage, I guess, in our political future, or our political way of life? What better person to have there?

And I will go further than that. Where would you find a more sincere person when it comes to actually getting in the House or outside of the House and telling the people of Newfoundland and Labrador up front what cuts in education or what cutbacks in education or what we are going to do in education as a Government? You will not find a better person.

My hon. colleague from St. Mary's - The Capes mentioned about how there has been a decline in the number of courses offered in post-secondary institutions, and I guess he was not referring to University, he must have been referring to the Cabot Institute and the trade school system that we have in the Province. I can't find that, Mr. Speaker. In fact, looking back from 1988 to 1990 we see an increase of something like, total enrollments in post-secondary has gone in just two years from 17,000 in one to 19,417. And if you look at the number of courses that are being offered at the various trade schools around - and I can quote the Carbonear one with no problem whatsoever - it seems like every year there are new courses being offered in all the schools, vocational schools around the Province, including Cabot Institute, The Fisher Institute and all the rest so I do not know, is my hon. colleague misleading the House in making comments like that? I do not know.

I will give you a few figures, Mr. Speaker. In 1988 for example, the Grand Falls Vocational School had a total of 184 to 187 full-time and part-time students, this year they have registered 216, so there is an increase there. In my district of Carbonear, I know there is an increase out there, in fact we are running out of space in Carbonear and I am hoping and praying that with some of the complimentary comments which I make to the hon. Minister today, in the House, maybe I can convince him to come out to Carbonear and open up, possibly first year university courses in the next few years. And I am doing everything in my power to be able to convince him to do that and I think that down the road, we may be successful in doing it.

An Hon. Member: Good point, good point.

Mr. Reid: Look what we have done in the short seventeen months since we have been in. We have introduced first year university at the Burin campus and in Labrador City. Why wasn't that done I wonder, prior to us coming in; why would we do that and make things even worse - and my friend over there is looking at me and grinning- to make things even worse, Labrador City and Burin are two Progressive Conservative ridings and you will turn up or other people will stand up in the House sometimes and criticize us for not doing enough in some of the Tory districts.

An Hon. Member: It will never be enough.

Mr. Reid: I am surprised because I would certainly grab at the opportunity to take first year university in Carbonear. What

have we done with regards to reforming student aid programmes?

Provisions were made in the 1991 Budget for a \$1.7 million increase in funding to student aid, an increase in provincial grants to married students and single students with dependents went from a maximum of \$1,250 to a \$1,600, a 28 per cent increase. An increase in provincial grants to single students went from \$1,000 to \$1,120, the first time it was touched since 1977.

(Inaudible) student loan ceiling will be increased from \$900 per semester to \$1,280; an increase in the day care allowance for students using other than registered day care centres from \$150 per month to \$250 per month, this crowd over here, Mr. Speaker, this crowd over here did that, this Government of which we are being critical.

Room and Board allowance provisions will increase from seventy-six dollars to eighty dollars a week; book allowance, went up from \$200 to \$300, and it goes on and on and on and you know, it is unbelievable, the amount of money.

Now, Mr. Speaker, if we wanted to, last year, what we could have done, was not increase the budget; I was looking at that the other night you know, and I said, if we had not increased the budget at all in 1989 and we had not increased it in 1990, then I guess what we could have done right now, is, save the dollars which we gave the university and come up and say, now boys we can give you a few extra dollars this year and it would have worked out okay and maybe we would not have been criticized for it.

But when I go back and look at statistics and I see that the budgets over the years have increased somewhat, they have gone up somewhat. If I am not mistaken, they have gone from - most Governments in the past have increased their grants or their amounts to the university by approximately 5 per cent, ours have gone above that; we do not have any problems with that at all, we are going to continue to put money into post-secondary education.

Tuition: Let us talk about tuition fee schedules. We were accused there a while ago of increasing the tuition fees at Memorial. In 1991, the increase in tuition fees was 5 per cent.

Listen to this one: In 1981-1982, it was 11 per cent. In 1982-1983, it was 12 per cent; 1984-1985, it was 5 per cent each year, 1985-1986, it was 7 per cent and they have got the audacity-

An Hon. Member: Who did that?

Mr. Reid: I do not know, was there an NDP Government in Newfoundland some years ago?

An Hon. Member: I do not think so.

Mr. Reid: Well, who was it was doing it, and they will stand in the House then and accuse this Government of doing something that, oh no, you would not be able to do that, you cannot touch that. Let us talk about tuition fees, tuition fees in the Province as it compares with other parts of the country, the hon. Member there from Humber Valley should know about this. In the Atlantic Provinces we have approximately, what? I would say about fifteen to twenty universities, the

highest tuition for an arts degree in the Atlantic Provinces, if any of my colleagues decide to go back to university, and any of my honoured friends on the other side have to go back to university, in another couple of years, I would suggest that they stay away from Mount Allison, because Mount Allison's tuition fee this year was \$2,135 for a semester.

Some Hon. Members: Oh, oh!

Mr. Reid: Now if you want to find a cheap place to go where you can get a good education, if not -

Some Hon. Members: Oh, oh!

Mr. Reid: If you want a place to get a good education that most of the universities across Canada look on, and most of the people who set the standards for Memorial or for university say, that the cheapest place to get an education in Atlantic Canada is at Memorial University and the tuition for an arts degree for one semester up there is \$1,344. That is almost \$1,000 less than Mount Allison.

An Hon. Member: \$3,000
(inaudible).

Mr. Reid: Thirteen hundred and forty-four dollars. Rank the university, Memorial University of Newfoundland, with every other university in Canada, every single university in Canada, and we come in, not the cheapest, no, we are not the cheapest, the University of Calgary is cheaper than us, and the University of Lethbridge is cheaper than us, and the University of Alberta is cheaper than us, but we are the fourth, we are \$1,344, and Trinity Western University out on the West Coast, in B.C., is \$5,350. What a place to go to get an education, Mr.

Speaker! What a place to go! And the reason the place is so good to go is because, thanks to governments previous to this one, and thanks to this one, for doing everything that they possibly can to help students in post-secondary education in this Province and students in education in this Province and thanks to the previous P.C. Administration and thanks to the previous Liberal Administration that we have Memorial University out there where we are right now. And thank God we have it there. And thank God we have Phil Warren sitting in this House as the Minister of Education today doing everything that he possibly can to accommodate post-secondary education in this Province and all aspects of education.

Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

An Hon. Member: Way to go, Art.

Mr. Speaker: The hon. the Leader of the Opposition.

Mr. Rideout: Thank you, Mr. Speaker.

Mr. Speaker, I want to take the opportunity to have a few remarks on this particular resolution.

Mr. Reid: (Inaudible).

Mr. Rideout: What is wrong with the Member now, Mr. Speaker?

Mr. Reid: (Inaudible).

Mr. Rideout: Oh, I see! Well then you should be courteous enough not to interrupt me as I was trying to collect my thoughts, Mr. Speaker.

Mr. Reid: (Inaudible).

Mr. Speaker: Order, please!

Mr. Rideout: I do not recall saying anything to the Member for Carbonear while he was making his speech. In fact, I believe he made a very good speech, particularly not having anything to go on, Mr. Speaker, he did very well indeed.

But, Mr. Speaker, I want to make a few remarks on this resolution brought in by my colleague for St. Mary's - The Capes. I think it is a very timely resolution. I think it is very, very important that this House have a debate at some point during this session, before the House rises for Christmas, and I cannot think about a better time than now that there be a debate on post-secondary education in Newfoundland and Labrador.

Some Hon. Members: Hear, hear!

Mr. Rideout: Any time that that is done in this House, Mr. Speaker, I think it is a useful exercise even though there may be disagreement between both sides of the House as to the proper course of action. There may be disagreement between both sides of the House as to what has or what has not been accomplished. But the very fact that the House would take an afternoon and debate the future state of post-secondary education in Newfoundland and Labrador, the present state of post-secondary education in Newfoundland and Labrador, and where we ought to be going from here, I think is very, very important. It is important, Mr. Speaker, because we are talking about the future development of the Province. This Province cannot expect to develop and

prosper unless we have a highly skilled, a highly trained workforce, and the post-secondary institutions in the Province, the University, the community colleges are vital links in providing that future for Newfoundland and Labrador. So, therefore, I believe, Mr. Speaker, that the resolution is timely, it is one that ought to be debated, and it is a good time to do it now.

Now, Mr. Speaker, turning to the resolution itself, the Member for Carbonear took some exception with the first WHEREAS and, on the basis of taking some exception with the first WHEREAS, indicated that he, and I would assume as the leadoff speaker for the Government is saying that the Members on the Government's side of the House, will not be voting for this particular resolution. Now, Mr. Speaker, even if one has some difficulty with a recital, because that is all the whereases really are, recitals to the resolution - the resolution itself is contained in the be it resolved section. So even if somebody had some difficulty with the recital, that is no reason not to support the be it resolved portion of the resolution.

As a matter of fact, you could do a couple of things, Mr. Speaker, if you wanted to make the resolution more acceptable to larger numbers of people in the House; you could amend it to reflect that, or you could move the deletion altogether of the recitals if Members on the Government side found them offensive. But surely goodness, Mr. Speaker, no Member in this House can find the -

Mr. Simms: (Inaudible).

Mr. Rideout: As was mentioned to me by my colleague, the House Leader, I mean, we could even propose an amendment ourselves to make the resolution more acceptable to a larger number of Members in the House, if we thought that that would get the resolution approved. But surely goodness, Mr. Speaker, surely goodness there is not a Member in this House who can stand and vote against the BE IT RESOLVED.

The be it resolved part is 'that this House support improvements in funding to Memorial University to enable the University to continue its open admission policy.' Now is there a Member who can vote against that? If you have a problem with the recital or with one of the WHEREASES, deal with it - propose an amendment, propose a deletion. Give some indication to us and we are prepared to do it. If you have a problem with that, if you are small and petty enough politically to have a problem with that, then there are ways to remedy that. But surely goodness there is not a person in the House who can vote against the resolution itself. And the resolution itself is the be it resolved portion, Mr. Speaker. It has nothing to do with the recitals. Recitals are only explanations for the be it resolved section.

Now with the first be it resolved, Mr. Speaker, I have to take exception with the Member from Carbonear. I do not think the first be it resolved is in any way untruthful. It says: 'WHEREAS the Provincial Government has informed Memorial University that it will not receive any increase in the level of operating funding next year, effectively reducing operating revenues by \$10 million

to \$13 million.'

Now, Mr. Speaker, nobody can dispute that that is a fact. But if Government Members find it insulting or do not want to accept it as a fact, then amend it, move its deletion, and let us get on to what the resolution is all about, which is improved funding for the University. But it must be pointed out, Mr. Speaker, that this Government has, in fact, told the administration of the University that they can expect to have their operating budget next year, for 1991-1992, frozen at this year's level. That cannot be disputed, Mr. Speaker. Too many people in the hierarchy of the University have confirmed that the University had been told by the Government they can expect their operating budget to be frozen next year at this year's level. Nobody can deny, Mr. Speaker. People on the Government side can get up and skate and skirt, but nobody over there can deny that the University administration has had to set up a special restraint committee to look at how they are going to enforce reductions that this freeze is going to have on the University. So, while you might not politically like what is contained in the first recital, there can be no denial that the Government have told the university that their budget will be frozen next year, there can be no denial that if that occurs, the operating budget of the University will be reduced anywhere from \$10 million to \$13 million, and there can be no denial that the University, through its administration, has set up a Restraint Monitoring Committee to propose to it ways to achieve or ways to live with a frozen operating budget. That cannot be denied. You might not like the

political implications of it, but that is the fact.

Now, Mr. Speaker, what is the standard response from this Government when you raise a question of frozen budgets for next year and what that means? What is the response? It does not matter, Mr. Speaker, whether you are talking about education, it does not matter if you are talking about health care, it does not matter if you are talking about social services. The standard response of the Government since October, all through October, all through November, almost up to the end of November, the standard response of the Government is there has not been any final decisions taken. Well, now, Mr. Speaker, it is only so long that the Government can continue to hold that line. Sometime over the next few weeks or months there will have to be final decisions taken and the Government no longer will be able to stick to the line and get away with the line. The Government will not be able to get away with the line much longer, that no final decisions are taken. As a matter of fact, Mr. Speaker, people involved with the secondary education system in this Province are now telling parents, telling us and telling the media and anybody else who will listen, that as a result of collective agreements, they have to make final decisions before the end of the present calendar year, they have to give notice of layoffs to employees before the end of this calendar year. Other institutions, like hospitals, may be able to slip into January, February or maybe even into March, but school boards cannot, Mr. Speaker. Because of the collective contractual agreements they have with employees, they

will have to give notice before the end of this calendar year.

So, the point I am making, Mr. Speaker, is simply this: very, very soon the Government is going to slip off this pinnacle, the Government will have to move off the position of no final decisions have been taken. They will have to move off the position of delaying, and delaying, and delaying as long as possible to get this House closed or to get into the new year, or whatever their strategy might be, and they are going to have to start making decisions. Some Government agencies will have to make decisions, as I said, before the end of the year.

Mr. Speaker, the second WHEREAS: 'the university has indicated that the freeze on funding may force restrictions on enrolment in 1991-92 even though the participation rate in Newfoundland and Labrador is 8.3 percentage points below the Canadian average.' Now, Mr. Speaker, what is there in that particular recital that Government members could be so upset about that they would not vote for the main resolution which follows that particular whereas? What is it? Is there something not factual in there?

Mr. Speaker, the President of the University, Dr. May, has been on the public airways in this Province. To use his own words, I heard him myself a dozen and one times a particular day last week, when I was driving in the Province, I heard him say a dozen and one times on the newscasts that the University cannot soak up those reductions. Those were his words, 'cannot soak up those reductions.' He was admitting, he

was telling the people of Newfoundland and Labrador that the Government had told him that his operating budget would very probably be frozen for next year. He was admitting, Mr. Speaker, that this year at the University, as a result of renegotiating a number of collective agreements, that there has been a significant increase in the salary component of cost at the University. He was saying very clearly to students and to parents in this Province that left with the Government Directive of a freeze for 1991-92, the University could not absorb - his words were 'soak up' - but the University could not absorb reductions that a freeze means.

And he went on. He did not stop there, Mr. Speaker. Dr. May, being the candid, open person that I have always known him to be, when I knew him as Minister of Fisheries and Oceans for Canada, did not stop there. He made it plain, he made it abundantly clear that the University could not absorb reductions that a freeze would mean, but he went on to say that a freeze would mean reducing services; he went on to say that a freeze would mean very probably a freeze on admissions; he went on to say that a freeze would mean program reduction. I mean, Dr. May spelled out candidly and frankly for the people of Newfoundland and Labrador what a freeze would mean for the University next year.

And he also went on to say that even if there is a freeze, and we expect that there will be, not only will we have to reduce programs, not only will we have to reduce services, not only will we have to contemplate freezing admissions, but we are also going to have to contemplate a

significant increase in tuition again next year. Mr. Speaker, is that the fearmongering of the Opposition? No, that is the President of the University telling the students of Newfoundland and Labrador, telling the parents of Newfoundland and Labrador what the Government freeze if imposed on the university will mean for the people of this Province.

So, Mr. Speaker, with that being said, I must pose the question again, if members opposite are unhappy with some of the wording in the recitals, get rid of it. Move an amendment. Get it changed. But surely goodness no member of this House can vote against the resolution itself.

An Hon. Member: (Inaudible) private instead of (inaudible).

Mr. Rideout: And the resolution itself, Mr. Speaker -

An Hon. Member: What is he saying over there about private (inaudible)?

An Hon. Member: (Inaudible) private funding.

Mr. Rideout: Private funding? Now, Mr. Speaker, the mad doctor strikes again. Did the members hear what the Minister of Finance -

Mr. Matthews: I thought he said private, yes.

Mr. Rideout: Did members hear? Here we are today, Mr. Speaker, debating the future of Newfoundland and Labrador. Because that is what post-secondary education really is when you pare it all away, is what kind of future is this Province going to have? Are we going to

have an educated population that will have the skills necessary to develop the resources of this Province, or are we not going to have that? And the Minister of Finance, Mr. Speaker, in a Province of 500,000 people or so, one University, one degree granting institution, the Minister of Finance in charge of the public purse says, if you take away the word 'public', in other words, if you would propose to this House that there be no public funding for the University -

Dr. Kitchen: (Inaudible).

Mr. Simms: He would support it.

Mr. Rideout: If you were to propose that, if you were to take out the word 'public' and replace that with 'private funding' - if you would take out the word 'public' and replace it with 'private funding' - he said, I would be inclined to support it.

Now, Mr. Speaker, that is the mentality of the Chief Financial Officer of Newfoundland and Labrador. That is the mentality of the person around the Cabinet table when slash, chop is the order of the day, who cuts and slashes, who we expect, being a former professor at the University, would be defending, Mr. Speaker, the University budget. Now can you imagine having Old Slasher on - I assume he is probably on the University Budget Committee, is he?

An Hon. Member: Oh, yes.

Mr. Rideout: I say here today, Mr. Speaker, -

Mr. Hearn: (Inaudible) one way to save money (inaudible).

Mr. Rideout: Yes. I say here today that I am relatively confident that the Minister of Finance is a Member of the Cabinet Committee on MUN. I am relatively confident, along with the Minister of Education. There may be another one or two ministers, but I am relatively confident that one of those members of that Cabinet Committee is the Minister of Finance.

Now having heard the statement that he made in the House a few moments ago, can you now, Mr. Speaker, get an appreciation for what the administration of the University face when they go before that Cabinet Committee? First of all, they face an attitudinal problem, attitudinal from the minister in that the more you can make this University sustain itself on private contributions, the less trouble you are for me, the less trouble you are for the public purse of Newfoundland and Labrador.

Mr. Speaker, I think there are a couple of statistics that ought to be considered. You know, it is ironic that this Government is now telling the University as well as other institutions that they must freeze their operating budget next year at this year's level, but a year and a half ago they were saying they would start immediately on the construction of a similar small university campus in central Newfoundland. I mean, this is the party, almost two years ago now, that was talking about building four or five different campuses around the Province. Today, they find themselves in a situation where they cannot even maintain what we have.

An Hon. Member: That was you guys.

Mr. Rideout: It has nothing to do with us fellows, Mr. Speaker. It has nothing to do with us fellows, because -

Some Hon. Members: (Inaudible).

Mr. Rideout: Let me tell the former President of the NTA, that other great defender of education cuts in Newfoundland and Labrador, let me tell that member that during the time when we were the Government of this Province - and I mentioned this in the House before - the per capita spending on education rose from 56 per cent of the national average to 84 per cent when we left; 56 per cent to 84 per cent of the national average, that is how per capita spending on education went up. Where did I get that statistic, Mr. Speaker, by going and looking around through some Tory documents, Tory propaganda or something like that? No, Mr. Speaker. That startling statistic, that statistic of progress and making real advances in education, came from no other source than the Warren Task Force on Education Financing. So, the Minister of Education -

An Hon. Member: Was that before or after?

Mr. Rideout: That was before -

An Hon. Member: Before he saw the light.

Mr. Rideout: No, it was not before he saw the light, because there is nobody who can deny that he was associated with the Liberal Party.

An Hon. Member: He decided to run for (inaudible).

Mr. Rideout: It was before he

decided to resign and run for the Government. So his statistics, I would assume, are fairly reliable, and that is a statistic right from the Task Force, Mr. Speaker. So the Government and the Member for Exploits cannot get on with that kind of rebuttal.

An Hon. Member: That is only one indicator, though.

Mr. Rideout: A very important one, though, I have to say to the member. As a final point before my time runs out, Mr. Speaker, the Member for Carbonear made some comment about the enrichment that this Government did to the student aid program. Well, Mr. Speaker, for any enrichment, as little as it was, that this Government did to the student aid program, I give them full credit. But it must be realized -

Mr. Murphy: But (inaudible). But!

Mr. Rideout: Well, the Member for St. John's South better listen to the but, because the enrichment was one step ahead and two steps backward.

An Hon. Member: Why?

Mr. Rideout: Why? Because in the first year that this Government was in office the Minister of Finance increased tuition fees at the University by a full ten per cent, Mr. Speaker. Nobody can deny that. That is a fact. Because of actions of the Minister of Social Services, single parents have had maintenance income declared non-allowable, so they are worse off. Full-time students at the University in other years, if they were doing three or more courses, got their full grant. What has this Government done, Mr. Speaker?

Mr. Speaker: Order, please!

Mr. Rideout: If you are doing three courses, you get three-fifths of the grant.

Mr. Speaker: Order, please!

Mr. Rideout: If you are doing four you get four-fifths. If you are doing less than that, obviously you get less than that.

Mr. Speaker: Order, please!

The hon. member's time has elapsed.

Mr. Rideout: I thank you, Mr. Speaker, for the opportunity.

Mr. Flight: Sit down! Sit down!

Mr. Rideout: And I would beg members, if you want to get rid the recitals get rid of them, but please do not vote against the resolution, which is the THEREFORE BE IT RESOLVED.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Member for Exploits.

Mr. Grimes: Thank you, Mr. Speaker. Mr. Speaker, it is again a pleasure to rise to make a few comments regarding an educational issue, this time funding for Memorial University. I commend the Member for St. Mary's - The Capes for placing this issue on the Order Paper, to give us an opportunity to debate it.

I do agree with the hon. Leader of the Opposition that it is most timely for this issue to be before us so that Members can make their views known relative to post-secondary education generally, and funding for Memorial University specifically,

which is what this Private Member's Resolution deals with. I would like to deal with the resolution, and I will try to stay as close as I can, Mr. Speaker, to the specific topic which is outlined here on the Order Paper for us today.

The Leader of the Opposition, as he is wont to do sometimes, jumped the gun a little bit again in saying that our only difficulties are with the preambles and that, therefore, we have no good reason to vote against the resolution. Before I conclude my remarks in the twenty minutes allowed me, I hope no one will misunderstand why I am voting against the resolution.

An Hon. Member: Voting against the resolution?

Mr. Grimes: And let it be clear for the record that there are extremely good reasons why this resolution has to be voted against, why it is misdirected, and that it is an improper resolution and shows the style of the former Administration when they were in Government, which I happen to have disagreed with strongly for a number of years and continue to do so, and, I guess, gives good reason why the people of Newfoundland, after a number of years, decided that that was enough of that and they decided to change for a little while.

An Hon. Member: A fewer number of people.

Mr. Grimes: The first preamble:

Mr. A. Snow: More people chose PCs than Liberals.

Mr. Grimes: We cannot argue too much, I suppose, with the first preamble. The President of the

University, Dr. May, has indicated that in their looking at the information before them and the request that was made of them, they think these numbers are pretty accurate, that if there is a freeze it may mean the numbers which are outlined here in the first whereas and so on.

The hon. Member for St. Mary's - The Capes, however, talked about some confusion as to whether people are being asked to look at this, or whether they are being told that there is a freeze and so on.

There is no confusion with anyone who is dealing with the matter, it is quite clear that the Government in all Departments and in all Agencies affiliated with Government funding, have asked people to look at what the impact would be if there was in fact a freeze. So ask is right, asked to look at it is right, told that something is actually going to happen is definitely wrong. And nobody can stand in this House and suggest that this Government has told anybody, Memorial University, the Hospital Boards or anybody else, that a definite freeze is in place as of April 1, 1991, because that is not a statement that can be verified with any degree of reliability whatsoever. So that has to be dismissed, the idea that there might be some confusion as to whether people are being asked or told. They are being asked. And most people are responding exactly the way we hoped they would and the Government hoped they would.

They are presenting what they feel the possibilities are if their budget is in fact not increased next year, and they are saying to people that this is what we think

in our best judgement is likely to be the impact if we have to do that. And there is no dispute over that. Although the Opposition at times would like to think that these people are saying that they are told there is a freeze already announced, that is just not so. They are being asked to look at it.

Now, are the groups involved, Memorial University in this case, are they lobbying and trying to pressure the Government into taking another decision other than freeze the budget? The answer is yes.

An Hon. Member: No. Not true.

Mr. Grimes: The answer should be yes. And guaranteed, if I were in their position, and I would expect that if any hon. member in this House were in their position, that is exactly what anyone of us would be doing if we were in any kind of a leadership role with a hospital board, Memorial University, a school board, or anywhere else. It is totally what should be done, and it is totally what this Government expected would occur, that these particular groups, representing their constituents of the time, whatever it might be, are lobbying Government and saying, if you can do something else other than freeze our budgets, please try to find a way to do it. There is nothing wrong with that. They are to be commended for what they are doing. They are doing something that they should be doing, and most of them are doing a good job of it. They are presenting a case saying, look, we think if we have to be frozen there are some serious negative impacts that we would like to bring to your attention, Mr. Minister, Mr.

Premier, Cabinet Ministers and Government.

They are asking them to have a look, and they are saying this is what we think the negative side of it might be. Should they lobby? Of course they should lobby. Are they doing anything wrong in making their statement saying we think this is what might happen? No, they are not. Now why would anybody suggest there is a great conflict here? There is no conflict. They have been asked to look at what would happen if the Government cannot give them any extra money next year. They are responding. And the Government has indicated, as the hon. Leader of the Opposition has said, they cannot go around forever, this Government cannot go around forever saying wait and see. When all the information is in they will make decisions. And then, and only then, will those decisions be given to the public, with the official decision of the Government for everyone to see, and to then look at in the light of day and decide whether they agree or disagree.

Right now we are just in the preliminary stages, and I have no difficulty whatsoever with what Dr. May is doing on behalf of the university, with what the chairpersons of school boards are doing, with what the Newfoundland and Labrador School Trustees Association is going, with what the Newfoundland Teachers' Association is doing. They are doing their job, and they are doing a good job of it. If the Government in kind does an equally good job when they make their decisions, as I have every confidence they will, then that decision when made will stand the test of time and will be able to

be scrutinized in the light of day, and then people can start to judge whether or not these funding decisions were in the best interest of the people of the Province at that time.

So I do not necessarily disagree too much with the preamble on the first one. The Member for Carbonear may very well have found some things in it that he does not agree with, because he might have done some more research into the numbers than I did. He might say that you can always argue over numbers and so on, and that is legitimate. Because people will do that every time anyway.

In the second instance, I do not necessarily agree with the second preamble, because I believe the hon. Member for St. Mary's - The Cape, in putting this as one of the stems of his resolution here, he is sort of leading us to believe that one of the conclusions that the University will make is that they will, for the first time ever, restrict enrolments. That is what I find to be a little bit offensive, and that is why I think we talk about scaremongering. The worst possible thing that could happen is that enrolments would be restricted. Now, Dr. May had no option but to say, just like the Government had no option but to say, here is a possibility, your budget may be frozen. He had no option but to say one of the things that could happen is that we might have to restrict enrolments. That is fair. But for someone to then portray it, and to take out of all the things Dr. May said, to highlight in a resolution before the House that oh, the one that is probably going to happen is that students are going to be refused admittance and

admission to Memorial University, that that is what is going to happen. That is what is being suggested and I disagree with that. That is one possibility and I, like members on both sides of the House I am sure, will line up to knock on Dr. May's door and say, Dr. May, everyone at the University, we know you are going to have to make some tough decisions next year at Memorial with funding, just like all other agencies that are dependent upon Government funding are going to be involved in the same process, if at all possible, though, would you please make every other adjustment you can other than restricting admission to students who want to advance their education in your institution?

I know I am going to say that, I am sure the hon. Member for St. Mary's - The Capes is going to say that, and I expect every member in this hon. House is going to say that. Now, if they end up with no other option but to do that, I think we will all be saddened, and I think the Province will be a loser as a result, as the hon. member points out. But I do not believe that that is in fact, or should be portrayed as the thing that might happen. The hon. member himself indicates that students might be turned away. And I would ask, in my little contribution to this debate, that he, along with me and everybody else when we are speaking to people at the University, to Dr. May and others to say: above all else try to make sure that 'might be turned away' is not the direction that you go. Try to avoid that, if at all possible. So I think we should plead with him to see that this is unacceptable as a last resort, and that all other options that the

university will have will be exercised before any restriction on admission is decided upon as a course of action by the university.

So I do have some difficulty with the second WHEREAS, because of the fact that it suggests to me in the nuance of what normally happens in this hon. House, that the hon. member is saying that is probably what is going to happen and therefore we better support this resolution, otherwise there will be restrictions on admissions at Memorial. So we cannot necessarily conclude that is going to happen.

I would like to spend the last half of my time though, Mr. Speaker, dealing with the BE IT RESOLVED, the resolution itself, which states that this House support improvements in funding to Memorial University to enable the university to continue its open admission policy. I am sure every member here, as well, would like to stand and support a resolution that says: improvements in funding to Memorial University to enable the University to continue all of its programs and policies, not only an open admission policy.

An Hon. Member: (Inaudible).

Mr. Grimes: But I disagree totally with the solution that is proposed here in this resolution, as was proposed two weeks ago by a private member from the other side, because it shows to me the total difficulty and the problem with the approach that the members opposite would take to a very serious financial difficulty in the Province. Two weeks ago there was a resolution saying please support a motion that says, do not restrict education funding generally. And we voted against

it. It was defeated. Cries from the Opposition saying, how could you people vote against funding for education? We did not. We voted against a resolution that brought in one specific aspect of a funding problem that has to be dealt with in a totality. This week what have we got? Please do not restrict funding to Memorial University. As a matter of fact, it goes further than that, it says do not only restrict it, it says, improve it. So now we have a single resolution on the Order Paper asking us to stand up as members in all honesty and with integrity to say, oh, yes, in isolation to every other decision that has to be made, we are expected to stand up today and say no matter what else happens now, gang, this year, no matter what else happens in any other area, we will vote today, totally unrelated to any other decision, we will vote today for improved funding to Memorial. And what will they bring in next week? Bring in a resolution saying let us have improved funding for health care, to open hospital beds, and each week they could bring in a disjointed, totally separate resolution to deal with one aspect of a problem that has to be dealt with in its entirety. That is the reason I will stand in this House today and defeat this resolution. And I am sure that the members on this side of the House will stand and defeat it for that exact same reason. You cannot deal with a problem as serious as this Province is currently facing with individual resolutions in the House, no matter how worthy that individual cause may be.

There is a study being undertaken by every department now saying look at what you can accomplish next year, if there is no extra

money. That study is closing in on completion, and then the Cabinet will take the total information and assess what they can accomplish for each of the departments that has its own legitimate needs. And everybody knows, I think full well, that I happen to have probably some warmer feelings or leanings or tendencies towards education, both in the primary, elementary and secondary area, as well as in the post-secondary. But once elected your mandate goes beyond whatever your own personal preference might be, to the total running of the Province and the legitimate needs in every sector and in every department.

Some Hon. Members: Hear, hear!

Mr. Grimes: And you have to make sure that you deal with all of it.

Some Hon. Members: Hear, hear!

Mr. Grimes: So what happens I think, Mr. Speaker, is that this resolution, although it has merit in terms of the item that it addresses, it has to be defeated. Because it shows that in fact over a period of some weeks we would end up with a resolution, if we passed them all, with each one having merit, that would say that the Government can't restrict funding on anything. Not only that, if these resolutions occur we would have a resolution week after week which says Government has to improve funding for everything.

And of course that is probably the way that Members opposite ran the Government when they were in charge. That an issue came up - oh, deal with this one, never mind a plan, do not look at everything else, fix this one today b'ys

because this might be a problem, we had better run out now and do this one. This is in the news today, the same way they do Question Period now. Run out and see what was in the news yesterday, ask a question about it tomorrow, and if they do not see anything in the news, well haul out the question you asked last week this time. Same question last week. Might even ask it to a different Minister to see it if looks a bit different.

That may have been how it happened. But what we had is in the past, some kind of ad hoc, knee-jerk types of reaction to anything that came along. Oh yes, there might be a problem at Memorial. Improve the funding. Never mind anything else. Improve the funding at Memorial. So how can we stand with any kind of integrity today and vote for a resolution that says support improvements in funding to Memorial University when we know that there is a complete study going on to look at funding for all aspects of Government. And everybody in the Province accepts - maybe the Members opposite have not let it sink in yet, but everybody in the Province accepts that there is a fairly severe financial crisis in our Province. Not only in Newfoundland, but across the country. Not only across the country but in all of North America. That there is a real difficulty with Government funding at all levels.

So, if we take this approach and support every second week or a private members resolution from the Opposition to improve fundings, the next thing we will have no choice. If we support them we will have to improve funding for this one week, that

the next week, this something else. All of them have merit on their own, let's not doubt that. But then the Government will be left with no choice but to do that because they supported independent resolutions in the House and go back to their only two other options. Increase taxes or borrow.

And believe me the people who I speak with tell me that we have to hold the line on taxes somehow. We have already got our friends of the opposite stripe in Ottawa going to lace us with the GST in a matter of just over a month or so now. I mean, everybody is going to face that. We do not need additional Provincial taxation. Everybody in this Province is going to face increased taxation in January anyway. So there is not much room left for the Provincial Government to go out and tax some more.

Then we have, go and borrow some more. And I think I would be remiss if I missed an opportunity to say, sure the Member for Mount Pearl, when he was previously President of Treasury Board and Minister of Finance, his answer was to borrow. Because he would say to groups, they would go in and say, but maybe we should deal with this problem now because we are not sure we are going to get the money: do not worry about that! Do not, no, no, trust me, leave that alone, do not worry about that. We will get the money this year, do not worry about that. That will not have to be paid for ten or twelve years. Do not worry about that, somebody else will have to worry about paying that.

And that was an attitude that again pervaded the Opposition group when they were in

Government. Do not face the problem head on today. Do not deal with it, do not worry about it. We will get the money. We can still borrow, we can get all kinds of money everywhere, and somebody will fix it later on.

The Member for St. Mary's - The Capes again, one of his comments was: students are getting hammered by this Government. What is happening is that this whole Province is getting hammered because of the kind of Government that we had for sixteen or seventeen years before, that borrowed to the hilt, put the debt to such a point that further borrowing was almost totally out of the question, okay? And now we are being asked, oh no, no, do not try to restrict funding. Don't do that. Improve the funding in this case for Memorial. Carry on, do not worry about it. We will get the money somewhere, and carry on from there.

I would like to conclude, Mr. Speaker, by suggesting that probably what will happen is that we will have to come to grips with the problem, the Cabinet here and the Government will do that. And we would probably have the luxury of improving funding by at least \$20 million or \$23 million if we did not have to go through the cucumber caper. And it might be designated for Memorial University, or it might go to opening hospital beds.

Mr. Speaker: Order, please!

The hon. member's time has elapsed.

Mr. Grimes: Thank you, Mr. Speaker. I appreciate the opportunity to have spoken in this debate.

Some Hon. Members: Hear, hear!

The hon. the Member for Humber Valley.

Mr. Woodford: Thank you, Mr. Speaker. I rise to have a few words on the motion and the resolution by the Member for St. Mary's - The Capes. From the outset, I would have to comment on the Member for Exploits' last remarks pertaining to the cucumber caper.

Now, Mr. Speaker, I was only saying the other day to members on this side that it is about time we started reminding the people of this Province about the biggest financial disaster, I suppose, in the history of the world, the biggest financial giveaway in the history of the world.

An Hon. Member: You mean the Province.

Mr. Woodford: The world! Not the Province, not North America, not Europe, the world. I do not have to remind members opposite what that is, but I will. I will. I will happen to mention it, and there are two words, it is named Churchill Falls. Churchill Falls, Mr. Speaker. And I would be remiss, Mr. Speaker - you talk about education in this Province. Listening to the Member for Carbonear or the Member for Exploits talk about what was not done in the last ten years and what was not done in the last seventeen years, did they ever stop to think and realize that one of the reasons it was not done was because of our giveaway to the rest of North America and the rest of the world? Power down there enough to keep us going for years and years, and yet we have given it away for nothing.

Mr. Speaker, talk about the \$22 million into Sprung, and I could debate that another day, but just think of the revenues that came out of Churchill Falls last year and just think of what it could have done for this Province. I will not put an exact figure on it, but it is somewhere around \$2 million a day. Not a week, not a month, not six months, a day - \$2 million a day. You know, ten or twelve days, Mr. Speaker, and we could have had the so-called \$22 million back and (inaudible). But just a another little bit -

Some Hon. Members: Oh, oh!

Mr. Woodford: But to talk about education, Mr. Speaker, yes, Newfoundlanders and Labradorians need education. But if we are going to talk about the past seventeen years and the past six months and the \$22 million, we are going to have to talk about a lot of the other history of our Province.

Mr. Speaker: Order, please! Order, please! Order!

I am having difficulty hearing the hon. Member for Humber Valley.

Mr. Woodford: Mr. Speaker, it is obvious that I am hitting some very, very vital chords in very, very vital places. It is in there, but the feelings happen to come out through their vocal chords. So, I mean, it is obvious.

Now, to add insult to injury, you talk about Newfoundlanders having to be educated. Newfoundlanders understand, I think they understand - most of them do - that, yes, Churchill Falls is as good as gone. But they do not realize that down the road, in a few short years, to add insult to

injury, a clause in that agreement with Hydro Quebec says that if there is any maintenance to be done with CFLCo., anything to do with Churchill Falls, it has to be done by CFL Co., who owns 66 per cent of the shares of the Churchill Falls Corporation. What does that amount to? They do it themselves. In other words, this Province, in another three or four years, has to come up with the dollars to do the maintenance, any maintenance to be done on the system, which could possibly be in the hundreds of millions of dollars. The agreement says - and the minister can correct me if I am wrong - that if CFLCo. cannot do it, in other words, the Newfoundland Government cannot do it, and the cannot unless they borrow, that Hydro Quebec -

An Hon. Member: (Inaudible).

Mr. Woodford: CFLCo can borrow. But Hydro Quebec, and that is the Province, the shares are the Province's shares. For every million dollars that they put into the maintenance of the Churchill Falls Corporation one share is lost by CFLCo. And what does that amount to? Some sixty-six shares, if I am not mistaken. Two-thirds, sixty-six shares.

But anyway, Mr. Speaker, I will get on to the resolution. I just want to make an analogy, Mr. Speaker, in regards to how much is lost today, \$2 million. And that is not counting what is lost. You talk about cucumbers, \$22 million don't hold splits to the \$2 million a day that is gone. Then the Minister of Development -

Some Hon. Members: Oh, oh!

Mr. Woodford: - gets on and talks about technology. The Minister of

Development is always talking about technology. A good thing. I agree with him 100 per cent on his approach to technology in this Province. But here is a case where technology, some of the highest in the world was going to be - I mean we can question pretty well everything, we can go over to the Marine Institute and question the wave tank. We can question all of the experiments with the testing of nets by Japanese, and Norwegians and everything else. We can question all those things, Mr. Speaker, but the bottom line is that it is technology.

Mr. Simms: (Inaudible).

Mr. Woodford: Now, Mr. Speaker, getting back to the resolution, I would have to refer the members also to some of the statements made by the vice-president of administration and finance at the University. He said, the level of operating funding next year would not -

Mr. Furey: (Inaudible).

Mr. Speaker: Order, please!

If the hon. the Member for Grand Falls and the hon. the Minister of Development want to carry on a conversation, I suggest they go outside the House.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Member for Humber Valley.

Some Hon. Members: Hear, hear!

An Hon. Member: I apologize, Mr. Speaker, and I speak for both of us.

Mr. Speaker: The hon. the Member for Humber Valley.

Mr. Woodford: But, Mr. Speaker, effectively freezing their budget, that would mean \$10 million to \$13 million that they would have to come up with in this year's budget.

Now some of the options they have, Mr. Speaker, even if it is frozen at last year's funding would mean that they would have to possibly increase tuition, introduce a user pay in the university, some of the things in the university. And they would have to cut staff or now the big one, the most important one of all, is if they have to tamper with enrollment and raise the enrollment requirement for the University. That to me is the most important.

Just the other day, Mr. Speaker, we were reminded by the President of the Western Community College in Stephenville that 30,000 Newfoundlanders on the western part and the northern part of this Province 30,000 Newfoundlanders have no education above Grade 1X. That to me, Mr. Speaker, is sad in itself. We have a lot of those people today illiterate for different reasons, some through no fault of their own, and some yes, through their own fault. They decided to pursue other things and decided to drop out of school and now most of them see the light and it is a bit too late, because of some of the requirements to get back into the system.

But when you this administration telling a university in this Province that your budget is frozen, not only is it frozen, you are getting nothing for next year and you have to do those things that are going to be detrimental. Then on the other hand, another department, namely, the Department of Municipal Affairs, which is responsible for the Library Boards

in this Province, coming out and saying to those people cut your budget by 4.2 per cent, which would mean a total cut in the upcoming year of approximately \$261,000 out of the library system in this Province.

Now one of the places, Mr. Speaker, that the people who cannot afford to get an education, some of the people who made mistakes in the past about their education, some of the only avenues they have is through the library system. They go to the library, they get a book, they do not feel bad about it at all. Some of them get the books, the individual, the librarian do not know whether they can read or write.

I have known individuals who went in and got such books with different topics and so on, they knew before they got it that they could not read that particular book, but before that went back to the library, Mr. Speaker, and I know of it personally with some people, they did know a lot of it and were able to read and understand it and that to me is a sad day when we see libraries in this Province -

Now the Minister said the other day that it is all under review and I hope he takes this seriously, because there is even a possibility that in Central and Northern Labrador, a place in this Province that should not be cut from library - whether it is library boards or education or anything else should not be cut. It should be enhanced really to give those people the opportunity, and in fact, the people involved here are some 3,000 users.

3,000 users in the Central and

Northern Labrador area in this Province who would be affected if that cut goes in place. Now, that to me, Mr. Speaker, is wrong. They should take that seriously and make sure that the libraries in this Province do not suffer because of those cuts.

The Member for Exploits mentioned about taxes, about the GST. This Member here does not agree with the GST, Mr. Speaker. I do not agree with the GST period!

Some Hon. Members: Hear, hear!

Mr. Woodford: And the other thing with it, Mr. Speaker, if it came in, and if it came in on the same things that it was on before, manufactured goods, bringing it from 13.5 down to seven, I guess, no problem, but, Mr. Speaker, when you bring it in and put it on other things in this Province, education and everything else, it is going on to (inaudible) even some talk, the Minister said today, crafts, that to me, Mr. Speaker is wrong, is wrong, Mr. Speaker, and for the Member for Exploits to say, rightly so, about the GST, as I said, I am against it, but having said that, how, on one hand can he say that and on the other hand look at the history of the so called hidden taxes in the last two Budgets in this Province. I will just name two or three that the people do not know about. Two or three that this lovely, people's Budget, so to speak came in.

Newfoundland Hydro, \$30 million knocked off the PDD system; \$9 million, in order for them to float their own bonds. Those Crown Corporations could have been done by the Department before, now they are on their own, sink or float. Sink or float, \$40

million, gone on the taxpayers of this Province of which they do not know anything.

An Hon. Member: (Inaudible).

Mr. Woodford: They see the -

An Hon. Member: As a result of that the (inaudible).

Mr. Woodford: That is right. I remember a few short years ago, when Mr. Neary was going around this Province along with another couple of ladies, I think you were called The Candlelight Brigade, and this Province, Mr. Speaker, was in an uproar, because of a 2 per cent or 3 per cent hike in hydro rates. Now they are gone right through the ceiling, Mr. Speaker, and there is hardly a sound because people are not up front about it to go to the PUB, they get approved for 3 per cent or 4 per cent and they blame it on the Public Utilities Board.

It is not the Public Utilities Board in this case, Mr. Speaker, it is not, it is this Government-

An Hon. Member: Right on, right on.

Mr. Woodford: - that is who put the people in the situation they are in today, that small businesses in this Province today are going out of business because of difficult times and in certain cases because of the increases in hydro alone. That is some of the profit for a lot of small businesses in this Province, let alone anything else.

2 per cent of personal income tax, nobody sees last two years. 2 per cent to 3 per cent on corporate tax that nobody sees. An example, the other day, in fines, if the

same infractions occur this year that occurred last year, the extra \$3 million come into the Province in fines. Nobody, nobody is in favour of the people out there. If anybody is driving fast, or doing something wrong, yes, ticket them but let the people know.

An Hon. Member: (Inaudible).

Mr. Woodford: If the member wants to speak he can get up and speak after I am finished, if he understands what he is talking about. Mr. Speaker, education is just another example of the so-called cuts, and proposed cuts, that this administration is putting on education in the Province. A prime example, Mr. Speaker, that comes to mind of late, is when the students walked up a couple of weeks ago to get their grants, up to the university, 1700 students went up to get their cheques and what were they told? They were told in no uncertain terms, if you are taking five subjects we will give you your full grant, but if you are taking four we will give you four-fifths, if you are taking three we will give you three-fifths. Mr. Speaker, it is bad enough in this Province today for a family man, or anybody else, to try and budget and to keep on track, let alone a student who is on a fixed income and has nowhere else to go. The students in the universities of this Province today have absolutely nowhere else to go only back to their parents, Mr. Speaker, and their parents have not got it because we have the highest unemployment rates in the Province. Mr. Speaker, I heard a couple of members here this evening, the Member for Exploits and the Member for Carbonear, and they have problems with the WHEREASES in the

resolution.

An Hon. Member: Is that what the member said?

Mr. Woodford: That is what the Member for Carbonear said in his speech. Now, Mr. Speaker, I would not want to stand here today, and I am sure my colleague will agree with me, and have a resolution such as this voted down because our friends opposite have problems with the WHEREASES. I firmly believe, Mr. Speaker, that we should have some consensus, and I, having said that, would like to propose, I move, and seconded, Mr. Speaker, by the Member for Grand Falls that all the WHEREASES in this resolution be deleted so that the resolution will now read: be it resolved that this House support improvements in funding to Memorial University to enable the University to continue its open admission policy.

Thank you, Mr. Speaker.

Mr. Speaker: Would the hon. member give me a copy of the amendment, please?

Mr. Simms: Mr. Speaker, on a point of order. I presume you are just waiting to see the amendment before you make a ruling so there will be no further activity.

Mr. Furey: A point of order, Mr. Speaker.

Mr. Speaker: The hon. the Minister of Development on a point of order.

Mr. Furey: The hon. Member knows that the House is still sitting. He has been here for ten years and he knows when the Speaker is in the Chair the House is in session. I am asking the Chair if

he would like to review the amendment, particularly in view of the quick write-up that just happened down there? Perhaps you would like to suspend for a few minutes to see if the amendment is in order.

Mr. Speaker: The hon. the Opposition House Leader.

Mr. Simms: Mr. Speaker, to that point of order. This is probably one of the simplest amendments in the history of parliamentary procedure, and I can assure the members that we have checked it with the clerks and it is perfectly in order. It is simply to delete WHEREASES, so I doubt very much if His Honour, as learned as he is, would need to adjourn the House to consider that particular amendment.

Mr. Speaker: The hon. the Minister of Development.

Mr. Furey: I do not prejudge the Chair. I understand that His Honour is learned, and I just ask that His Honour look at the amendment to see if it is proper and in order. If Your Honour would take a minute or so to do that we would be grateful.

Mr. Simms: A point of order, Mr. Speaker.

Mr. Speaker: A point of order, the hon. the Opposition House Leader.

Mr. Simms: I believe Your Honour has had a chance to look at the amendment. It is up to himself if he wishes to adjourn, but I would doubt it very much. I suspect this is simply a ploy from the Opposition to gather their thoughts and to figure out how they are going to deal with this

now. I suppose that is what is happening.

Mr. Speaker: The hon. the Minister of Development.

Mr. Furey: Mr. Speaker, I disagree with the hon. Member, it is not a ploy by the Opposition.

An Hon. Member: The Government you mean.

Mr. Furey: Your Honour, would you rule and see if the amendment is in order?

Mr. Speaker: Our Standing Order 36 says, "A motion may be amended: (a) by leaving out certain words; (b) by leaving out certain words in order to insert other words; (c) by inserting or adding other words," so I rule that the amendment is in order.

An Hon. Member: Mr. Speaker.

Mr. Simms: You cannot speak, boy, it is twenty to five, sit down.

Mr. Speaker: It being twenty to five I recognize the hon. Member for St. Mary's - The Capes.

Mr. Walsh: A point of order, Mr. Speaker.

Mr. Speaker: The hon. the Member for Mount Scio - Bell Island on a point of order.

Mr. Walsh: Mr. Speaker, just for clarification, and the only thing I can stand on is a point of order because I have been looking forward to the opportunity of speaking on education and I am not sure if the opportunity is denied to me now. I am not sure if it has been denied to me. Am I in order to speak to the amendment or -

Mr. Speaker: No.

Mr. Walsh: - Mr. Speaker, is the amendment - now deny me my opportunity to speak?

Mr. Speaker: Order please!

No, it is now time for the Member who introduced the resolution to close off the debate. And before the hon. Member does that I wonder if he would permit me, on behalf of hon. Members, to welcome to the public galleries today Mr. Wade Brake, the president of the Student's Council Union at Memorial University, and Trent Abbot, the vice-president.

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

Mr. Hearn: Thank you very much, Mr. Speaker. Only for the importance of the issue and the lateness of the evening, and seeing that we have the executive of the Student's Union take time out to come over to listen to the debate on this important resolution for them, I would only be too glad to sit down for awhile and listen to the contribution of the Member from Mount Scio. Because if there was anyone who has illustrated a complete lack of knowledge about the educational system in the Province it is the Member for Mount Scio. And every time the Member stands to speak our credibility rating goes up significantly.

So, Mr. Speaker, we will try to -

Mr. Simms: (Inaudible) Chairman of the Rules Committee, and he didn't even know the rules. How embarrassing. How embarrassing.

Some Hon. Members: (Inaudible).

Mr. Hearn: Mr. Speaker. I wonder if the Speaker would keep the mouth from Mount Scio quiet? Maybe by depriving the Member he might get some press, and if that is his intention we might have succeeded in doing it.

Mr. Speaker, today we have heard a fair amount of debate on the resolution which is simply asking that Government not reduce funding, actually that Government continue to add funding to University, so that it can maintain at least the present level of activity. The speakers today expressed various opinions and concerns about education generally but it was extremely interesting to watch the participants in light of their past involvements.

The Member for Carbonear, former teacher, who knows only too well that education has always lacked funding and that the Province has been continuously trying to catch up with the rest of the country, and by looking at the Budget he will see that each year significant increases were made. He referred, I believe, at one time, to my involvement with the University when I was Minister. And I would advise him that when I was Minister of Education I was not responsible for the University. We had two different Departments then and perhaps if we had two today more attention would be paid to both levels of education.

An Hon. Member: Hear, hear!

Mr. Hearn: Because the Premier came in here yesterday and he bragged about reducing the number of departments. He forgot to add about the amount that was not saved by not reducing the frills.

You know, with the press secretaries and the executive assistants that have been added, and some of them added as secretaries, to receive an executive assistant's pay. You know, the Premier did not mention stuff like that. Neither did he mention the effect that reducing some departments had. And one department, that has suffered tremendously by the, once again, amalgamation tendencies of this Government was the Department of Education. The University and the post-secondary system demands so much attention and is so different in so many respects from the primary, elementary and secondary aspect, that there is no way that one small group of individuals can properly administer it.

And, of course, when the decisions in relation to operations of both departments now combined are put in the hands of the economists in the department, then we see the results. When decisions are being made on dollars and cents, we see the effect on the Department of Education. No wonder so many people are trying to get out; no wonder so many people have left already looking for employment somewhere else. And everyone knows that the Department of Education now is twenty years behind what it was last year or the year before, and the education system in the Province has regressed.

To make matters worse, we get an individual, the Member for Exploits, a former President of the Newfoundland Teachers' Association, who was one of those who constantly pressed for more funding in education, he was second only to the Minister of Employment and Labour Relations, also a former President of the NTA

who constantly pressed for more funding regardless of what was done. Regardless of the fact that a lot of new dollars were being put in, new positions every single year, new teachers were added, improvements were made in both the post-secondary and in the primary, elementary and secondary levels, the fight was lead by these two individuals. And what do we see today? The Member for Exploits cowering under the gaze of his colleagues in Cabinet, trying to explain why we should be satisfied with the status quo. Why was he never satisfied with the status quo when he was in his position as President of the NTA? Because he should not have been satisfied with the status quo then, nor should he be satisfied with the status quo now.

Mr. Speaker, we talk about funding, and every now and then somebody quips up with, you know, only for you fellows we would be able to put more money into education. Why was there a \$10 million surplus when the Government started off this year, in its Budget? Why, last year, did they have a balanced Budget? Because of what was handed down to them. Two years hence what has happened? They have a deficit. And, of course, you will get the Minister of Social Services, with his cucumber book, saying oh, it is all because of Sprung. Every financial problem that has been created in this Province in the last x number of years, and undoubtedly as long as these people are in the Administration, will be blamed on the Enviroponics experiment.

Mr. Efford: No, on the Tories.

Mr. Hearn: Where is your pickle book?

Some Hon. Members: Oh, oh!

Mr. Hearn: The minister has it right there. He has two of them! Let me say to the minister, let us take the minister's words literally when he talks about \$20 million that was wasted. Even if all of it was wasted - all of it - it is only ten day's loss in relation to what Churchill Falls meant.

Some Hon. Members: Hear, hear!

Mr. Hearn: This Province is without \$2 million a day - \$2 million a day - because of a former administration.

Mr. Murphy: Hindsight. Hindsight.

Mr. Hewlett: (Inaudible) Sprung sight.

Mr. Hearn: Who was a minister, an important minister in that former administration? The leader of the Province. Who was part of that decision-making? The Leader of the Government. Who, even since the original deal, has defended Quebec's right to take it away from us? The Leader of the Government.

Some Hon. Members: Hear, hear!

Mr. Hearn: So if you want to talk about pickles and cucumbers and \$20 million giveaways, talk about the \$2 million-a-day giveaway, not for a period of time, not to end at \$20 million or \$200 million, but on and on and on for ninety-nine years. Get your facts straight, if you want to talk about giveaways.

Some Hon. Members: Oh, oh!

An Hon. Member: Nothing about finances.

Mr. Hearn: What that would not do, Mr. Speaker, for the education system in this Province, \$2 million a day. But in reality, coming back to the resolution, right now we are down to the basic facts. The WHEREASES have been eliminated, so if the Member for Carbonear has some concern about the funding - he said, you know, all we asked them was consider what would happen if you had to operate on last year's money? That is what they have been indoctrinating the backbenchers to say. You should be sitting around Cabinet tables so you will know what is going on. You have been told to go out and say oh, we are only asking them to see what they can do with the status quo. Talk to the hospital boards and school boards and ask, Where you asked politely to see how you could operate, but do not worry if you cannot operate, we will give you more funding? They were told to cut the cloth to suit the material. That is what they were told. And the same way with the University. The Vice-President of the University, Administration and Finance, says, and here is the quote: 'effectively freezing our funding' - effectively freezing our funding. They have been told their funding is frozen. So, consequently, they are in a position to try to make decisions based upon last year's funding, and they have quite clearly said what it will mean: cuts in staff, cuts in programmes, cuts in materials and the technical instrumentation that they need to enhance the University, higher tuition fees, higher user fees, and last but not least, the possibility that students will have to be told there is no room in the inn, because these people have not come forward with the money that is necessary.

And, as I said earlier, how hypocritical is it for a Government to turn around and say we have not got money enough left to keep our University going, when they went out a few months ago and promised new universities all over the place? How hypocritical of a government. If there was one area where they should not open their mouths at all, it should be in relation to funding universities.

So, Mr. Speaker, if the Member for Carbonear has concerns about the first whereas, it is gone. If the Member for Exploits has concerns about the second whereas, that the University has indicated the freeze may force restrictions on enrolment, it is gone. As the Member for Exploits so clearly illustrated one evening before, when he said that the whereases really had no part in relation to the resolution, and he is right - we are voting on a be it resolved, regardless of the intent as expressed by the whereases.

So the whereases are gone now, And what we asking Members opposite is that collectively we stand up for the youth of our Province, we stand up for those who are attending University, and we stand up for those who are coming to University. And when we look at the fact - going back to the Member for Carbonear, when he talked about the increase in funding, and bragged about the increase in Student Aid, we find out then that the Minister of Education says, no cuts.

We raised an issue here one day about students who were only doing three or four courses and when they went to pick up their grants they were cut. We raised it. The Minister did not know anything about it. He went out and he came

back and he said, no, no cuts. No cuts. And everyone found out yes, there were cuts.

An Hon. Member: (Inaudible).

Mr. Hewlett: Yes, sir. Change in policy! The Premier admitted it!

Some Hon. Members: Oh, oh!

Mr. Hearn: Exactly. And it begs, in light of what happened last night in this House and in light of what happened today, who really knows what is going on? The Ministers do not know what is going on in their Departments. They are signing letters without reading them. Programmes are being implemented without anybody knowing what is happening. The Premier comes in apologetically trying to cover-up, and not putting forth the truth himself. Who knows what is going on? Nobody. And I am sure nobody in Government knows what is going on. Who is affected by it? Everyone in the Province. And in this case, especially the students. So let us start turning it around, and let us start today by making sure that the one sole University that we have is not deprived of the right to continue to progress along the lines it has progressed.

Our university, in this small Province, is turning out students that are competing in this world on an equal basis with anyone else in the world. We can be extremely proud of our University, so let us give it that chance to operate. I ask members now, Mr. Speaker, seeing it is getting close to five o'clock, to stand and support the resolution, 'BE IT RESOLVED that this House' - collectively, all of us - support improvements in funding for Memorial University to

enable the University to continue its open admission policy.' Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Speaker: Is the House ready for the question?

Is it the pleasure of the House to adopt the amendment? I should say that the amendment is, in essence, substantially, to delete the two WHEREASES in the motion.

All those in favour of the amendment please say, 'aye.'

Some Hon. Members: Aye.

Mr. Speaker: Those against, 'nay.'

Some Hon. Members: Nay.

Mr. Speaker: I declare the amendment lost.

All those in favour of the main motion please say, 'aye.'

Some Hon. Members: Aye.

Mr. Speaker: All those against the main motion please say, 'nay.'

Some Hon. Members: Nay.

Some Hon. Members: Division, Mr. Speaker.

Mr. Speaker: Division. Call in the members.

Division

Mr. Speaker: Order, please!

(Inaudible) have concurrence on both sides the House is ready?

Some Hon. Members: Ready.

Mr. Speaker: All those in favour of the motion, please rise.

Mr. Hewlett, Mr. Hearn, Mr. Simms, Mr. R. Aylward, Mr. Matthews, Mr. Tobin, Mr. Woodford, Mr. Hodder, Mr. A. Snow, Mr. Parsons.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please?

I ask hon. members to please restrain themselves. It is difficult for hon. members to hear their name.

All those against the motion please rise.

The Hon. the Minister of Social Services, the Hon. The Minister of Works, Services and Transportation, Mr. Reid, Mr. Ramsay, Mr. Crane, the Hon. the Minister of Development, the Hon. the Minister of Health, Mr. Walsh, Mr. Noel, Mr. Gover, Mr. Penney, Mr. Barrett, Mr. L. Snow, the Hon. the Minister of Forestry and Agriculture, the Hon. the Minister of Justice, Mr. Grimes, the Hon. the Minister of Finance, the hon. the Minister of Employment and Labour Relations, the hon. the Minister of Mines and Energy, Mr. K. Aylward, Mr. Murphy, Mr. Dumaresque, Mr. Short, Mr. Langdon.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!
Order, please!

Clerk (Miss Murphy): For nine,
Against twenty-four.

Mr. Speaker: I declare the motion lost.

This House stands adjourned until tomorrow, Thursday, at 2:00 of the clock in the afternoon.