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Speaker: Honourable P.J. McNicholas

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The House met at 3:00 p.m.

MR. SPEAKER (McNicholas):
Order, please!

Before calling for Statements by Ministers I would like to welcome to the galleries Mayor Alex Snow from Labrador City, and Town Manager, Cecil Vincent.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
I would also like to welcome 50 Grade XI democracy students from Glovertown Regional High School, with their teachers Hubert Sparkes and Kirk Goulding.

SOME HON. MEMBERS:
Hear, hear!

Statements by Ministers

PREMIER PECKFORD:
Mr. Speaker.

MR. SPEAKER:
The hon. the Premier.

PREMIER PECKFORD:
Mr. Speaker, I wish to make a statement to this hon. House on events over the past several days relating to the arrest of a St. Pierre and Miquelon fishing vessel and its crew, and to clarify any misunderstandings over the Province's role in the subsequent judicial proceedings. I also wish to take this opportunity to provide hon. members of this House with some factual information on the St. Pierre and Miquelon fishery. This information will demonstrate that, contrary to statements made by St. Pierre and Miquelon representatives, their expectations for fish allocation

in Canadian waters are totally unrealistic and bear no reality to their historical level of landings over the past fifteen years.

Twenty-one French Nationalists were arrested last Friday, April 15, 1988, for being aboard a vessel fishing in Canadian waters contrary to the Federal Coastal Fisheries Protection Act. All charges and court proceedings were initiated by the federal government in the name of the federal Crown. This is the normal procedure in cases, of course, of this sort.

All persons arrested appeared before the Provincial Court of Newfoundland which has initial jurisdiction to entertain these charges and were remanded in custody upon application by the federal Crown prosecutor until April 18 for a bail hearing since the crew members were not represented by counsel at that time.

Immediately after a remand order was made, the crew members retained counsel who, in consultation with the federal Crown prosecutor, prevailed upon the Provincial Court Judge to expedite the bail hearing. It was the independent decision of the court to acquiesce in this request and to conduct a bail hearing one day earlier than scheduled. All arrested were then released on terms suitable to the Court and acceptable to the federal Crown. As in all cases of this type, the provincial Department of Justice has no investigative or prosecutorial role. This was communicated to the French Consul in reply to correspondence from him on April 15, 1988.

St. Pierre and Miquelon are

claiming that Canadian actions are strangling their economy, have forced the closure of their fish plants and that in order to survive they need more fish. I believe the following information clearly demonstrates that these claims are totally unfounded. Let me place this issue in its proper context.

There are 28,000 commercial fishermen in Newfoundland. There are 176 fishermen in St. Pierre and Miquelon.

In the period 1972 to 1985, average annual St. Pierre and Miquelon groundfish landings both within and outside the disputed 3Ps zone, including that part of 3Ps not in dispute, only approximated 6,250 tonnes. That was from the period 1972 to 1985; average annual landings were 6,250 tonnes in each year between 1972 and 1985, as I said.

I wish to emphasize that the St. Pierre and Miquelon expectations of groundfish within Canadian waters are in the order of 50,000 metric tonnes, primarily cod. Obviously, Mr. Speaker, these expectations are totally absurd, given that their historic landings from 1972 to 1985 were 6,250. For this reason the province again wishes to go on record and state that any allocations to St. Pierre and Miquelon, under the 1972 Canada/France Treaty, including landings in the 3Ps disputed zone, must be in line with their historical catch levels. Claims by St. Pierre and Miquelon that they are being economically 'strangled' by Canada are obviously distorted given their historical level of landings.

St. Pierre and Miquelon's arguments are primarily based on

their catch levels since 1986, when France began flagrantly exceeding its Canadian allocations in the disputed 3Ps zone. The Canadian allocation to France in 3Ps has been 6,400 metric tons in recent years, a figure which generally represents France's historical share of the 3Ps cod stock.

Over the past several years, the French catch in 3Ps has exceeded 26,000 metric tonnes and it would be totally unrealistic for St. Pierre and Miquelon to base their expectations under the 1972 Canada/France Treaty on this distorted level of landings when their historic landings, from 1972 to 1985, were 6,250 and the Canadian allocation was 6,400. For them to expect to get and to keep overfishing at 26,000 and demand 50,000 is completely out of line with what they had historically fished and what the total allowable catch is determined to be by the Canadian scientists. The catch has exceeded 26,000 metric tonnes, and it would be unrealistic for St. Pierre and Miquelon to base their expectations, under the 1972 Canada/France agreement, on this distorted level of landings.

Mr. Speaker, it is important to note that St. Pierre and Miquelon cod landings in 1987 per fisherman, or fisherperson, totalled 99 tonnes, while for South Coast fishermen of Newfoundland - fishermen on the South Coast of Newfoundland - it was only 10 tonnes per fisherperson; 99 tonnes for the St. Pierre and Miquelon fisherpersons and 10 tonnes for Newfoundland South Coast fisherpersons.

On a province wide basis, each

Newfoundland fisherperson catches approximately 18 tonnes of fish of various species. The 176 fishermen in St. Pierre and Miquelon land approximately 122 tonnes each. So that gives you some idea, Mr. Speaker, of the disparity between what we catch per fisherperson and the fishermen on St. Pierre and Miquelon catch. They catch much, much more.

St. Pierre/Miquelon is making a major issue of the fact that its processing plants are facing shortages of raw material. Plant closures are not unfamiliar to Newfoundlanders, and even at the best of times plants in Newfoundland are operating at less than half their capacity.

It is clear, Mr. Speaker, that the problems facing St. Pierre and Miquelon today are not problems created by the Canadian Government, but rather by the intransigence of the French Government. Canada has made offers to France involving significant quantities of fish but France elected to walk away from the negotiations. St. Pierre and Miquelon's present problems with low catch rates are also a problem of their own making. Having flagrantly overfished the 3Ps stock for a number of years, St. Pierre and Miquelon is now bemoaning the fact that fish catches in the disputed zone have declined. Obviously fish taken in one year through overfishing cannot be harvested in subsequent years.

It is in the same manner, Mr. Speaker, as we find in the Maritime provinces and with other countries, where they have fished and overfished, and when there is no fish left for them in the zones that they are supposed to be in,

they then come looking for 2J+3KL codfish. In zones in Newfoundland, where Canadians have been fishing who have managed the fishery properly and therefore have an ongoing good supply of fish, they are looking to take advantage of our good management to compensate them for their bad management.

It should be noted that Canadian cod allocations off the South Coast of Newfoundland have remained at Canada's traditional share of 34,600 tonnes. There are seventy fishing communities and almost 5,000 fishermen along the South Coast of Newfoundland, adjacent to the disputed zone. The vested interests of these communities, fisherpeople and plant workers, must be protected by the Canadian Government and by the Newfoundland Government.

SOME HON. MEMBERS:
Hear, hear!

PREMIER PECKFORD:
It is the Province's view that the recent action orchestrated by St. Pierre and Miquelon politicians was an attempt to generate sympathy among Canadians. Whilst we wish to see an early resolution to the dispute, this can only be possible if France resumes negotiations with reasonable expectations. Newfoundland fully concurs with the federal government's position that France's continuing refusal to settle the boundary is at the origin of the growing economic uncertainty on St. Pierre/Miquelon and the continuing threat to the livelihood of thousands of Canadian fisherpeople and plant workers.

In summary, Mr. Speaker:

Those persons arrested on Friday past should not be surprised since they deliberately set out to break Canadian laws;

The problem being experienced by the citizens of St. Pierre and Miquelon is the result of France's intransigent negotiating position and their unreasonable demands; therefore, St. Pierre/Miquelon should focus its energies on the real source of their problem, their own government in Paris;

Any allocations to St. Pierre/Miquelon must continue to be based on their traditional catch levels and must not be distorted by their recent blatant overfishing activity.

Thank you very much.

SOME HON. MEMBERS:

Hear, hear!

MR. WELLS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. WELLS:

Mr. Speaker, we have no basic quarrel with most of the comments contained in the Premier's statement. We believe they reflect reasonably accurately the situation that exists at the moment with respect to St. Pierre and Miquelon. It is clear that the people of St. Pierre and Miquelon are feeling the pressure, most of it, as the hon. the Premier says, caused by the intransigence of their own government and the position they have taken on the matter. We are glad to see that the Province is taking the rational approach of urging resumption of talks,

because that is the way in which this problem will be best resolved in the long run.

If I might just go to the paragraph on page 6 of the statement that the Premier just read, I share completely the view that he puts forward that 'It is the Province's view that the recent action orchestrated by St. Pierre and Miquelon politicians was an attempt to generate sympathy amongst Canadians.' It is clear that it was just an attempt to draw public attention to it and generate as much sympathy as they could.

And while I have no doubt there are a lot of fishermen in Newfoundland who have a good deal of sympathy for the fishermen and people of St. Pierre who are out of work and no opportunity to catch fish, they must look to France as the root cause of their problem, as the Premier just said, and we endorse his comments.

I agree that the Newfoundland Government does concur and should concur fully with the federal government's position that France's continuing refusal to settle the boundary is at the origin of the growing economic uncertainty on St. Pierre/Miquelon. That ought to be the direction in which the resolution of this matter ought to be sought, and I endorse the government's position on it.

SOME HON. MEMBERS:

Hear, hear!

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

Mr. Speaker, we would also endorse the comments of the Premier. We think that is an accurate indication of the situation and a realistic overview of the affair from St. Pierre onward, towards the arrest and so on.

The other thing that I would like to say about it, though, is that there may be a silver lining to the cloud in that there may be some pressure being exerted in France in a new way, as a result of the events of the last couple of days, which may break somewhat the log jam and we may actually see the negotiations continue and actually get to some sort of a reasonable settlement of the whole thing.

I think probably, though, the most important thing in this whole situation is to, quite frankly, put it in perspective. It is was clearly a political act of the politicians and the fishermen of St. Pierre. And I do not think it was particularly aimed at getting sympathy in Canada, quite frankly, because I have detected absolutely none for the events and for the actions they have taken. I think it is more appropriate to say that in France, where they are, I think, in the last week or two of a presidential election campaign, it clearly has become an issue there. It has moved up the agenda in the sense that the French now clearly know about it, and maybe it will bring forward that silver lining that I mentioned before and we will get some sort of a solution to it. Because I think the one thing that we do have in common with the twenty-one people who were arrested and with the several thousand people of St. Pierre and Miquelon, is that we all want to see a resolution that

is in the best interest of all the fishermen of the South Coast, both of St. Pierre and Miquelon and our own fishermen as well.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. RIDEOUT:

Mr. Speaker, the lobster fishery begins in most parts of the Province on April 20, and over the past few months, I have been directly involved in discussions on various aspects of this fishery. The main consideration, as with other fisheries, relates to the market. In this regard, the current lobster issues are prices, market specifications, and future market prospects.

As we all know, the fishing industry in general is very sensitive to market conditions. With regard to lobster, 90 per cent of total annual production, that is approximately 4 million to 5 million pounds, is traditionally sold live to the United States. This fishery, for environmental and other reasons, coincides with peak production of lobster in other areas of Atlantic Canada and the U.S. Consequently, an increase in supply relates to a decrease in market price. Given this supply/price relationship, Mr. Speaker, the price to fishermen traditionally has been adversely affected. This situation, together with a requirement to market directly from harvest, and a dependency on buyers and marketing networks which are totally outside the Province, has placed fishermen in

a very weak bargaining position. The situation has required this government to place a condition on the licence issued to all lobster buyers under authority of the Newfoundland Fish Inspection Act that fishermen must receive at dockside a minimum price based on 70 per cent of the buyer's price for Newfoundland lobster in the Boston market.

I am pleased to announce today that as a regulatory support to the lobster fishery, the 70 per cent policy will remain in effect for 1988.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Mr. Speaker, additionally, I want to make it clear that I am prepared to use every means at my disposal to ensure that fishermen receive that 70 per cent. This will be accomplished as follows: - what I am announcing now is a brand new initiative to the 70 per cent policy which has been in place over the last several years - Once the season is a couple of weeks old - it takes that long to determine the Boston price - and the Boston price has been firmly established, my department will publish that price at the end of each week. That will be the operational price for the previous week. I will then require any licenced buyer who has not met the 70 per cent requirement, to do so retroactively.

Any documented case of this regulation not being adhered to, will result in immediate termination of the buyer's licence to buy. For these purposes, Mr. Speaker, the 70 per cent rule applies to the minimum price only, and should buyers be identified

who have paid more than 70 per cent, of course, no refunds from the fishermen would be required because this is a minimum price. So this is a brand new initiative to put teeth in the 70 per cent rule that we have had for the last several years, and to make sure that the fishermen are the beneficiaries of that policy.

It is my belief, however, that the union which represents fishermen, should arrive at lobster prices through collective bargaining as is done with other species. In this particular instance, however, I am fully committed to ensuring that fishermen receive a fair market price for their product. For the purposes of documentation, it is essential, and I urge, that all fishermen keep their receipts of all transactions.

Mr. Speaker, presently there are efforts underway in some U.S. States to enact legislation that will increase the minimum size of lobsters for marketing. On June 1 of this year, this new regulation will become effective in our major marketing areas. Although the size increase is only one thirty-second of an inch it is estimated that 4 per cent or 200,000 pounds of our production will have to be redirected to other markets. We anticipate further increases in size regulations until 1992 to reach a minimum size of three and five-sixteenth length from the previous three and three-sixteenth length. This total size increase could amount to a substantial part of our lobster landings. However, a harvesting regulation to coincide with the new market size could have positive biological effects on the size of the lobster population and, over the long term, could produce a greater

poundage of larger lobsters. Of course, Mr. Speaker, this long-term prospect is not a great consolation for the fishermen of 1988 who may be faced with possible market difficulties for their smaller lobsters.

In consideration of the short-term effects, we are closely monitoring the introduction of this U.S. regulation through our Consulate in Boston and we will be reviewing all possible ways to alleviate any negative impact. Our latest information confirms U.S. enforcement regulations will, in fact, be in effect by June 1. The Federal Department of Fisheries and Oceans has not, as yet, decided to adjust the harvesting regulations to coincide with the U.S. market requirements. Nevertheless, the 70 per cent of Boston price policy will apply to all lobsters regardless of size or market destination.

Mr. Speaker, both directly and indirectly associated with the U.S. market size specification is the issue of our in-Province holding and overall marketing capabilities. Basically, the Newfoundland lobster fishery is entirely dependent on Mainland Canada and U.S. companies, with their well-established holding systems. The lack of such infrastructure in Newfoundland requires that lobsters be shipped to these holding pounds within a few days of harvest. Obviously the Newfoundland buyers and fishermen are not in a strong bargaining position and do not have the option of holding lobsters in accordance with changing market conditions.

The lack of holding facilities affects our ability to diversify our markets to other parts of the

world, for example: Europe and the Far East. There have been some recent developments in this regard but progress has been too slow.

Mr. Speaker, I am well aware of the importance of the lobster fishery to our inshore fishermen. It provides in the area of \$12 million to \$15 million annually to the inshore sector. There are many factors which influence this fishery from one year to the next. The seasonality of our lobster fishery compared to other parts of Atlantic Canada and the overall cost/benefits of other types of operations have profound effects on the Newfoundland lobster fishery. I will continue to monitor the many trends which affect this important industry and intend to pursue all possible means to improve the viability of our lobster industry. My department will be conducting a study of the Newfoundland lobster fishery in 1988 with a view to finding ways to increase the potential of this important industry.

Mr. Speaker, this fishery, although relatively small in total terms, is a significant part of the income for many small boat fishermen. Based on our proposed study and with government assistance under the recently signed inshore fisheries development agreement, we will continue to assist the lobster industry in the future.

Finally, Mr. Speaker, I wish to advise the House of a continuing programme in my department involving lobster pots. Over the past year, with the assistance of the Departments of Career Development and Social Services, we have replaced our inventory with 10,000 new lobster pots.

These inventories are located at Bonavista, Port Saunders, Piccadilly, Botwood, Musgrave Harbour, Port Union, Port de Grave and St. John's, and are available to fishermen who suffer losses due to storms and ice conditions. The price per pot is reasonably set at \$7.00 per unit, and the objective is to allow fishermen to re-enter the fishery with minimum loss of fishing effort after suffering gear losses. This programme has been in effect for several years and has proven to be an effective government service to fishermen.

Mr. Speaker, in closing I know that all colleagues will agree that these initiatives are very positive in support of the Newfoundland lobster fishery. A new and stronger framework for ensuring prices to fishermen, a close market monitoring programme, a study for future development and an ongoing lobster pot inventory programme are just some of the major initiatives which will assist the inshore fishermen of Newfoundland for the 1988 lobster fishery and beyond. Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. W. CARTER:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Twillingate.

MR. W. CARTER:

Thank you, Mr. Speaker.

I am sure that most lobster fishermen in Newfoundland will welcome the minister's announcement, and also they will welcome, of course, the changes that he has made in the way in which the Boston price will be

applied to our inshore fishermen.

But let me say this to the minister: He goes to great length to identify some of the problems with the lobster fishery; he talks about the fact that we are so dependent on the American market, for example. I believe in his statement he mentioned 90 per cent of our total annual harvest, or 4 or 5 million pounds of lobster, are sold live to the U.S., and he talks about the recently announced new regulations that will be imposed on June 1 of this year, I believe, by various states in the United States, which will have the effect of insisting on a slight increase in the minimum size of lobster. That, he says, will cost the Newfoundland lobster fisherman about 4 per cent of his production.

Now, Mr. Speaker, the minister very clearly identifies some problems, and he makes scant reference to one of the solutions. That surprises me. We all know that one of the solutions to the problem today in the matter of market, in the matter of undersized lobsters, in the matter of saturation of the marketplace would be holding capability, holding tanks. The minister makes passing reference to the need for such a facility, but he does not go far enough; he does not lay out any plans that he has or any studies that are presently underway into the possibility of providing holding facilities for lobster fishermen.

Given the fact, Mr. Speaker, that the production of lobster in this Province coincides with the production of lobster in Atlantic Canada and in most areas of the Eastern U.S., I believe, it must follow that if there is an oversupply of lobster in this

Province and in the other producing areas, then the obvious result will be a decrease in price. Again that points out the need for some kind of holding facilities so that lobsters can be harvested when they should be harvested, and if the market is not right, if there is a glut in the market, then these lobsters could be held until the market conditions improve and better prices are guaranteed. The minister makes reference, again, to the new, soon-to-be enforced U.S. regulation, whereby the minimum size will increase by, I believe, one-thirty second of an inch. That, as I said before, will cause some hardship, but it seems to me that if we had proper holding facilities, these undersized lobster could be held and allowed to grow that extra one-thirty second of an inch. The minister shakes his head.

MR. RIDEOUT:

Lobsters held in captivity will not grow.

MR. W. CARTER:

I do not know. Maybe lobsters will not grow in captivity. I am not aware of that, Mr. Speaker, and I would like to get a better scientific view on that than the minister's.

MR. RIDEOUT:

The member said they would grow better.

MR. W. CARTER:

I see. Let us assume for a moment that lobsters will not grow in captivity. Well, there is ample argument to be used, Mr. Speaker, for holding facilities, and I hope the minister would give it some very serious thought. Do not put it off. I would suggest to him that steps should be taken

immediately to investigate, first of all, the feasibility of holding lobsters. Of course, it is nothing new. It is being done now in the States and, I believe, in certain Atlantic provinces.

Mr. Speaker, the minister makes reference to his continuation of the lobster pot policy. Well, I am happy to know that the minister is carrying on a tradition that I started when I held the office. I do believe, though, that the price has somewhat increased, and, from what I have been hearing, by the way, the quality has been somewhat decreased; I have heard complaints that the lobster pots are improperly constructed.

MR. SPEAKER:

Order, please!

The hon. member's time has elapsed.

MR. W. CARTER:

May I conclude, then Mr. Speaker? I think the minister should take a look at that, because I have heard complaints that maybe a lot of lobsters can escape from these pots. It is a good programme. That is quite obvious, otherwise, I am sure, we would not have started it. It is a good programme, but certainly one that the minister should take a hard look at with a view to improving.

SOME HON. MEMBERS:

Hear, hear!

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek (Mr. Fenwick)

MR. FENWICK:

Mr. Speaker, I would like to direct my comments to the very new

part of this statement, and that is the problem with the increased gauge size that is being used in the United States and the problems that will create here. I notice that the minister at least addresses the fact that the problem is there, but it seems to me that neither he nor the Federal Government, which I think has a greater role to play, have really done nothing in order to address solutions to the problem.

He estimates that if the gauge size is increased by one-thirty second of an inch that 4 percent or 200,000 pounds of our production will not be able to be sold to the United States and will have to be redirected to other markets. The question, of course, is is there going to be another market that that can be sold at at a reasonable price? Because if there is no another market for it, then we have some major problems.

The other thing, it seems to me, is that if we have a smaller size that cannot be sold in the United States, then the 70 per cent rule on the minimum price will be very difficult to apply to these lobsters which are smaller than the American ones.

Now, let me explain that for a second. We have a situation here where the buyer's price is 70 percent of the Boston market price. If there are 200,000 pounds of lobster that cannot be sold on the Boston market, then there is no Boston market price for those 200,000 pounds. An argument could be made that these, therefore, are no longer covered by it. Indeed, if the market is within the Province or in Atlantic Canada or in Quebec or wherever they decide to sell it, and the market price is even lower, the

buyers, themselves, may even look at it, which all leads me, Mr. Speaker, to the suggestion that the minister is hinting around at in here and that maybe we should be looking at increasing the gauge size by the amounts required to standardize the legal lobster size to that which the Americans are having.

There is a problem, of course, and that is that there will be a depressed market for a year or two as the lobsters grow in size. But I remember seeing a Land and Sea Programme in which they discussed it, and the federal research officer actually proposed an increase in the gauge size and said that in the long-run we would see a much larger volume of markets going through it because, of course, in the year or two that it takes to grow to that size, the actual weight increases are very substantial. So I would like to suggest to the minister that if the feds are, as he seems to hint here, discussing the idea of doing that, that maybe what he should do is look at some sort of support system for the one or two year period in which the larger size lobsters are being phased in to protect the income of these lobster fishermen, and perhaps that could be accomplished by looking at instead of a 70 per cent support price, maybe a 75 per cent one, which would need some involvement with the federal/provincial fisheries to support it at that level in the transitional phase to cover that 4 per cent loss this year, and what seems to be a slightly larger loss next year, if we go to another one-thirty second in gauge size.

So, I would ask the minister, if he does have information on that and it comes down soon, that he

let the House know, because I think a major problem is coming up here and he really has not addressed the solutions to it as yet.

Oral Questions

MR. DECKER:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for the Strait of Belle Isle.

MR. DECKER:

Mr. Speaker, my question is to the hon. Minister of Education (Mr. Hearn).

Yesterday in The Sunday Express the minister launched a scathing attack on educators, on the NTA, on past Presidents of the NTA, the President of the NTA, rural teachers, school trustees, parents, and practically everyone who is involved in education in this Province. Now, I will concede that maybe the minister was misquoted, As so often happens, public figures are misquoted. So I will ask the Minister: Would he like to stand and repudiate this Sunday Express article and apologize for any misunderstanding which those misquotations might have caused? Or, if he is not prepared to do that, will he stand up and substantiate those claims which he is making about educators in this Province?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Minister of Education.

MR. HEARN:

Mr. Speaker, how often have we heard in the House, and in other areas, people complaining about The Sunday Express, about information that is carried in it? The worst of it is, usually in the past we had some legitimate complaints because the information carried was usually information supplied to The Sunday Express by the members opposite. However, the fact is that the story in The Sunday Express this week was done as the result of a direct interview between the person concerned and myself. I read the story and I think I was quote fairly factually.

SOME HON. MEMBERS:

Hear, hear!

MR. DECKER:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for the Strait of Belle Isle.

MR. DECKER:

I had not prepared a supplementary, because I honestly thought the hon. minister was going to apologize and that would be the end of it, Mr. Speaker. Now, I have a supplementary.

The minister accused members of the NTA of using their positions to further their political agenda. I believe he said 'their Liberal political agenda', Mr. Speaker. Is the minister prepared to provide proof of these accusations? Will he back up this vicious attack on the educators of this Province?

MR. SPEAKER:

The hon. the Minister of Education.

MR. HEARN:

Mr. Speaker, in the hon. member's original question he mentioned that at times people are quoted incorrectly. I think perhaps the member read my remarks incorrectly. When asked if I thought whether or not some individuals, who have indicated publicly that they intend to run for the party opposite, were influencing the executive of the NTA, my answer - and I think it was quoted correctly in the paper actually - said, surely I would think that these people are beyond reproach and certainly were too professional to use their influence to influence the executive. I stand by that statement, because I do not think the individuals would use their position to try to influence the executive of an association as powerful as the Newfoundland Teachers' Association for their own political involvement or concern.

MR. DECKER:
Mr. Speaker.

MR. SPEAKER:
A final supplementary, the hon. the member for the Strait of Belle Isle.

MR. DECKER:
Now he is hiding behind innuendo and insinuation. The minister insulted outport teachers. He said they are inexperienced -

SOME HON. MEMBERS:
No, no!

MR. DECKER:
- and less qualified and are the cause of lower achievement by outport students.

MR. SPEAKER:
Order, please!

MR. DECKER:

I ask will the minister admit that the real problem, the real cause of lower achievement is not the teachers at all, but his government's method of funding education, which results in the Burgeo School Board receiving \$262 less per student per year for discretionary funding than a St. John's School Board? That is the real problem, Mr. Speaker. Burgeo gets \$331 per student, Avalon Consolidated North get \$593 per student. Will the minister not admit that that is the problem, not unqualified teachers?

SOME HON. MEMBERS:
Hear, hear!

MR. HEARN:
Mr. Speaker.

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

MR. HEARN:
Mr. Speaker, first of all, on his introductory remarks, I was a teacher in a small outport, and many people in this House were also, and remarks that I made in no way downgraded teachers in small areas. The point that was made was that in many of our small schools there are inexperienced teachers, a point verified by Dr. Frank Riggs last year when he did the Small School Report and a question asked directly of him was: When you went around to the small isolated areas what type of teacher did you find? Did you find an experienced teacher, highly qualified? And mainly his answer was, no, you will find - and we know that ourselves, boards will tell you - they have problems encouraging teachers to go to small remote areas, with few exceptions. Consequently you will find quite often inexperienced

teachers who perhaps have just come out of the university, or in some cases may have not even completed university. That is not to say that they do not give it everything they have. I certainly appreciate the fact that they do. But you will still find in most of the remote small schools inexperienced teachers, and that was the only quote I made and that is a fact.

On the part of funding, Mr. Speaker, we fund school boards equally. For every student who is registered with a school board, whether that student is registered with the Bay d'Espoir Board, with the Notre Dame Bay Board, with the Corner Brook Board, with the St. John's Board, we fund each school board for operational costs equally. They get the same amount per student. If we want to look at overall government funding to school boards, you will find, and the hon. member will find if he does a little bit of research, that in relation to the town/bay scenario we really provide more government funding per student to the outport boards than we do to the St. John's boards.

SOME HON. MEMBERS:

Hear, hear!

MR. HEARN:

The discrepancy that exists has nothing to do with government funding, absolutely nothing. The discrepancy in the total amount of money available to the boards to use in the bays, or in certain areas of rural Newfoundland compared to the larger centres, is due to the fact that in all areas of the Province local individuals who want to help out in funding education have set up School Tax Authorities. They raise funding. They charge different amounts they

bring in different amounts of dollars. But still, because of these setups, School Tax Authorities that are set up in more lucrative areas can collect more dollars than they can in poorer areas, and that creates the discrepancy, not because of government funding but because of local endeavour. Because we have recognized that fact we have set out to equalize the differences. We said that within five years we can do it, and I think, Mr. Speaker, we are on schedule.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. WELLS:

Mr. Speaker, having just listened to the minister, will he say that it is his position, and the position of the government, and the official position of the government with respect to funding education -

MR. TOBIN:

Now we are going to hear it!

MR. WELLS:

Mr. Speaker, would you kindly ask the member for Burin - Placentia (Mr. Tobin) if he would remain quite while I am asking a question?

MR. SPEAKER:

Order, please!

MR. WELLS:

Mr. Speaker, is it the position of government that that is their misfortune? The government recognizes that St. John's, Corner Brook and a few other areas have a good tax base and can raise significant dollars for education, and it is just the misfortune of

the people of Burgeo, and the government has no responsibility at all to make sure that the people of Burgeo get fair access to educational funding so that they can get reasonable education as well?

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. TOBIN:

How did you raise the money for your salary?

MR. PATTERSON:

Why do you not give some of your salary to the school boards?

MR. SPEAKER:

Order, please!

The hon. the Minister of Education.

MR. HEARN:

Thank you, very much, Mr. Speaker.

The hon. the Leader of the Opposition, I figured I would get a rise out of him after the remark I made the other day. If we want to talk about inequalities, there are inequalities and then there are inequalities; however, we recognize the inequalities that we are involved in. Maybe I should take the hon. gentleman around to rural Newfoundland, to the small schools that I have visited, to the boards that I have met with, to the superintendents that I have talked to, and to the people who brought to us the problems that exist out there that we have fully recognized. It might be interesting to know that we were the ones, a couple of years ago, who said, 'Look, there are inequalities out there,' and many of them result - not all of them -

because of the funding methods that we use and because you live in a rural area that is not as economically viable as St. John's or some of the larger centers. We recognize that.

We also recognize the fact that in St. John's many of the dollars they raise through the School Tax Authority comes through the assessment on commercial property, properties that are supported by the people from the bay who, in turn, do not get a flowback from St. John's. We do not want to rob Peter to pay Paul, but we will start putting some extra dollars in Paul's pocket so he will be just as well off as Peter. It takes a little bit of time but we are on the way to doing it, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. WELLS:

A supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. WELLS:

I would like the minister, when he rises to speak in response to my supplementary question, to also tell the people of this Province what he means by 'out there' and 'the bay'? What does he mean by that? I need to know what he means by that.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

We just have half an hour for question time and too much of it is being taken up with

interruptions.

The hon. the Leader of the Opposition.

MR. WELLS:

Thank you, Mr. Speaker.

Now, Mr. Speaker, the government has responsibility to ensure that people in all parts of this Province have fair and reasonable access to education and to educational funding. The government recognizes that there is a disparity in what can be raised by school tax. Has the government looked at what has happened over the last ten years in terms of the Centenary Scholarships, and has the government looked at what caused the 22 per cent of the pupils who attend schools operated by the two St. John's area school boards to win 71 per cent of the Centenary Scholarships over the last ten years on average? Is that not directly attributable to the poor funding in rural education?

MR. SPEAKER:

The hon. the Minister of Education.

MR. HEARN:

Mr. Speaker, you know, I am really enthralled by the attention that we are getting in the field of education. Maybe it is the new Leader of the Opposition, because for the three years I have been Minister have I had in total three questions, and they were all insignificant ones at that.

And, all of a sudden, there is a lot of attention being focused on education. And before I get into answering the question directly, let me say to the hon. member that 'out there' or out in 'the bay' to me is home -

SOME HON. MEMBERS:

Hear, hear!

MR. HEARN:

- where I grew up, where I went to a small three-room school, where I taught in a small school, where I live today, and it is where my children attend small schools, and do very well.

Statistics will show, research will show that in Newfoundland, when we compare our results to results across Canada, in our large urban schools, do better than the national average. It will also show that in rural areas children who attend large schools do relatively well. Children who attend smaller urban schools do not do as well, statistically at least, and those who attend small, small rural schools, once again do not do as well.

One of the reasons for that, of course, I suppose we could say the total reason is the lack of opportunities that they have in certain areas of the province, the same as people who live in certain areas of the province do not have paved roads, or playgrounds, or fire fighting protection and so on, and so on, and so on. But in relation to funding education, we were the ones who started it three years ago. This is the third successive budget that we have zeroed in to put money in to equalize funding to rural schools through their boards.

Where have they been all these years? Now that we are starting to do something that is good and positive, they want to jump on the band wagon and take credit for it. It is a little bit late, because the people out there recognize who started it, who is doing it, who is making sure that

they have equal opportunities. And the boards, the denominational educational committees and the teachers are all coming together, working with us to make sure that this aims are fulfilled.

MR. WELLS:

A further supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. WELLS:

Mr. Speaker, my final question is: When will the government recognize that the Liberal Party has been right for years? The real problem is school tax and it should be abolished and replaced with direct funding by the provincial government.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Minister of Education.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. HEARN:

Mr. Speaker, across this Province we have a number of highly efficient School Tax Authorities made up of people who have volunteered their time to collect funding to put into the schools to make up for efforts that we cannot make as a government. We are not the only province that relies upon local effort to help fund education. In fact, in Newfoundland, of the total amount of money spent on education, only 5 per cent comes from local effort. The national average is

well over 30 per cent and many provinces put in over 50 per cent from the local effort. School Tax Authorities out there bring in about \$30 million above and beyond what we can do.

Now, we are saying to them, 'By all means go ahead, collect, put money into your own schools, money over which you have control, money over which you call the shots, and nobody can take it away from you or tell you how to spend it,' instead of taking it, as the hon. member said, and putting it into water and sewer. You talk about putting money down the drain! If we followed their examples, that is exactly where we would be.

They have been right for years? When I went to school in rural Newfoundland, we did not have an inch of pavement in our district. We had small dilapidated schools and so on. Look what has happened since 1971 in this Province. Then people will understand who has zeroed in on trying to help the young people in this Province - the people on this side.

SOME HON. MEMBERS:

Hear, hear!

MR. BAKER:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Gander.

SOME HON. MEMBERS:

Hear, hear!

MR. BAKER:

Thank you, Mr. Speaker.

I would like to, first of all, remind the minister that he is not the Minister of Transportation or the Minister of Municipal Affairs. He is the Minister of

Education and should not be making the case for the other departments. These gentlemen are doing their jobs properly.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. BAKER:

Now, the minister today has made the unfortunate but correct statement, and he made it in The Sunday Express, that urban students do better academically than rural students. That has been proven time and time again in the last few years in this Province. He makes the incorrect statement, however, that this is not due to the level of funding, that the level of funding has nothing to do with it. The minister said that the more educated teachers want to teach in urban areas, which means that the ones who are left out there - for instance, some of my friends from Glovertown - are the bottom of the barrel, they are the least educated teachers who are left out there.

Now, I want to ask the minister: Is this not simply a political cop-out by the minister to excuse the fact that there is more money per student spent in St. John's than there is in the rural part of the Province?

MR. HEARN:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Education.

MR. HEARN:

Mr. Speaker, first of all, let me correct the hon. gentleman, because he is certainly making

statements that I did not make or have ever made. When we talk about least educated or less educated teachers, you know, we take pride in saying that in recent years we have put the mechanism in place to allow our teachers, through educational leave and through busarries - our student aid programme is the best in the country - to go back and be retrained, or trained as he case might be, so that practically every teacher in the schools in Newfoundland today has at least one degree, many of them with a couple of degrees, several with masters degrees and a good number now with doctorate degrees.

So when we talk about the least educated we are talking about very well educated, hard working, dedicated teachers.

SOME HON. MEMBERS:

Hear, hear!

MR. HEARN:

The point made is that like in many other areas boards do have problems staffing certain small rural schools. Perhaps it is human and natural, but it is also factual. Neither did I ever say that the method of funding has absolutely nothing to do with the discrepancies that exist. We were the first to admit one of the major reasons that rural boards have trouble paying their bills is because of a lack of funding.

We also recognize the fact that one of the reasons they have trouble paying their bills is because they have to use operating monies that we give them to pay their capital account, because in the past every time they built a school, and hon. members know this, they had to put in 10 per cent of the capital costs. It

drove them in debt, and most every board out there, if not all, are in debt because of that one factor alone. We eliminated that also two years ago. So it is giving them a break.

SOME HON. MEMBERS:

Hear, hear!

MR. HEARN:

It is giving them a chance to come up.

But the main thing, Mr. Speaker, is, yes, we recognize the discrepancies. We recognize the lack of funding -

MR. LUSH:

Yes, two years ago.

MR. HEARN:

Exactly, two years ago.

- because we have attacked it in a number of different areas. But the point is all these discrepancies are being addressed, are being addressed quickly and efficiently, and most people out there will recognize that. And it is only since we started doing things that they finally woke up and said, yes, there are problems. Now you want us to come up with the solutions overnight. Sorry, boys, we are ahead of you.

SOME HON. MEMBERS:

Hear, hear!

MR. BAKER:

Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Gander.

MR. BAKER:

The minister started out by saying that what is in here is factually correct. 'Mr. Hearn acknowledged

that urban students generally do better academically than rural students. But he said that that is more due to inexperienced' -

SOME HON. MEMBERS:

Oh, oh!

MR. SIMMS:

On a point of order, Mr. Speaker.

MR. SPEAKER:

Order, please!

A point of order, the hon. the President of the Council.

MR. SIMMS:

Mr. Speaker, the reference in Beauchesne is clear. I am sure Your Honour is quite familiar with it. But you are not allowed to preference your questions by reading extracts from newspapers. The hon. member should know that. He has been in the House for a few years. And it is unfortunate that he continues to abuse the rules despite the fact that it is there for everybody to see. If he cannot ask a question of his own opinion, then he should not ask one at all.

MR. SPEAKER:

To that point of order, the point is well taken. I would ask the hon. member for Gander to continue.

MR. BAKER:

I would like to start by saying that the article that he claimed to be factually correct says different from what the minister just said, so maybe you better go back and read it again.

Now, then, the minister, aside from the qualifications of the teachers, lays another part of the blame by making the astounding statement, Mr. Speaker, that the more able teachers - the more able

teachers - want to teach in urban areas. I do not know what judgement he uses to determine which are the more able teachers.

SOME HON. MEMBERS:

Ask your question!

MR. SPEAKER:

Order, please!

MR. BAKER:

However, will the minister now apologize to the thousands of extremely able teachers who are teaching in rural schools, who like to teach outside the Overpass, and are being smeared by this arrogant minister?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Minister of Education.

MR. HEARN:

Mr. Speaker, a couple of things: number one, the teachers in the Province, practically all of whom I know personally - I visited two schools this morning, in fact; I had a tremendous morning out talking to teachers - know where I stand in relation to education. I came up through with them, and when discussing things I always say the answers to our problems are not in here, the answers are out in the field. Most of the solutions we have come from teachers.

I would also like to say, perhaps, thank God for The Sunday Express, because if not the hon. gentleman would be pretty lean on questions.

And perhaps one of these days they can talk about the salary issue over there, so we can talk about the inequalities in the political

field.

SOME HON. MEMBERS:

Hear, hear!

MR. HEARN:

We on this side of the House, and I presume on the other, have some teachers or some former teachers, people who left the teaching profession out in the field because of their involvement or their concern, and they came in to see if they could do something better. And, unfortunately, they had to leave a relatively well paying position to come in to take the meager pittance that we get paid as a member of the House of Assembly.

MR. TOBIN:

Not under the table.

MR. HEARN:

Now, however, if we could get our wages subsidized, then we would get a lot more teachers and more qualified people in here and some of the problems we have today would not be here in the future.

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

My question, Mr. Speaker, is for the Minister of Health (Dr. Collins). It has to do with a series of articles that appeared in The Evening Telegram over the weekend having to do with the recurring issue of the nurses shortage. I notice in there that the minister made a comment on Friday which he did not make in the House, that actually we are sending some of our worst and most intense cases to other provinces, and he seems to be seriously

suggesting that this is a possible solution to the nursing shortage.

Since the intensive care unit at the General Hospital

-seems to need \$1.5 million, my question to the minister is: would it not make more sense to allocate the funds, the \$1.5 million in order to upgrade the intensive care unit at the General Hospital, rather than taking our intensive cases, our chronic cases and sending them to Halifax or Montreal for treatment, where they are away from their families, and must be costing us an incredible fortune?

MR. SPEAKER:

The hon. the Minister of Health.

DR. COLLINS:

Mr. Speaker, I am glad that the hon. member brought up the point, because I am quite sure that people have been concerned about the comments that have been made in public recently. Many of the comments I think are quite serious and quite legitimate comments.

Just a little background, Mr. Speaker: the intensive care unit at the Health Science Complex deals with post-cardiac surgical patients. Now, the Health Science Complex is the only institution in the province that deals with open heart surgery, and they depend on the intensive care unit for a short period of post-operative care. Now the intensive care unit deals with other than just cardiac patients, and recently they have run into a period where there was tremendous pressure on the intensive care unit from patients with even more emergency situations than the post-surgical cardiac patients.

Now, the hon. member for Port de

Grave (Mr. Efford) knows more about this than the people at the Health Science Complex because he is saying that this is wrong, but I am telling the hon. member for Menehik - I will answer the hon. member for Port de Grave, if he wants me to later - that we have been informed by the Health Sciences Complex people that they ran into a period where they had even more emergency patients for the ICU than the post-surgical cardiac cases, so there had to be a certain amount of delay in the post-surgical cases.

Now, this is not unusual, it does happen time and time again, but this was a particularly long period, long in terms of a week or more, whereas previously sometimes the extra pressure is just with us for a few days. I am glad to say that that situation has not rectified itself. The intensive care unit at the Health Sciences is now back to normal functioning in terms of handling of post-surgical patients. I might say that since Friday, there have been a four cardiac patients operated on and have been accommodated in the ICU there.

Now, the hospital itself has a long-term plan to increase the size of the intensive care unit. They are working on that. They have had some preliminary discussions with us. We said we will await the finalization of their plans and they then bring it forward for consideration. It looks as though, as time goes by, the ICU will have to be expanded in size. But no matter how big it is, there will always be those periods when there is extra pressure on it. And you will have some of the elective cases, because even though these are serious surgical cases,

nevertheless, strictly speaking, they are elective surgical cases, and there will be always periods when these elective cases will have to give way to the very emergency one that has to be dealt with on a first basis.

MR. SPEAKER:
Order, please!

The time for oral questions has elapsed.

MR. SPEAKER:
The time for Oral Questions has elapsed.

Presenting Reports by
Standing and Special Committees

MR. YOUNG:
Mr. Speaker.

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

MR. YOUNG:
Mr. Speaker, I wish to table the annual report of the Board of Commissioners of Public Utilities on the operations carried out by the board under the Automobile Insurance Act for the calendar year 1987.

Petitions

MR. EFFORD:
Mr. Speaker.

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

MR. EFFORD:
Thank you, Mr. Speaker.

Mr. Speaker, I would like to rise today to present a petition on behalf of approximately 200 people from the communities of Northern Bay, Gull Island, Ochre Pit Cove, Western Bay, Grates Cove, and a number of other communities in that particular area. This is also a request from a number of clergy, like the Salvation Army, the Roman Catholic Church, the United Church, and the Anglican Church, along with a request from a number of teachers in that particular area.

Mr. Speaker, the concern is an opposition to what is taking place in the provincial park at Northern Bay. There is an application for a licensed liquor club to be placed at the entrance to the provincial park. The people from the surrounding communities, Mr. Speaker, state their request very clearly. The prayer of the petition reads:

"To whom it may concern and the hon. House of Assembly, the following information pertains to the reapplication for a liquor license adjacent to the provincial park in the community of Northern Bay." The letter goes on to state the number of communities and people who are opposed to this.

There are a number of reasons why, Mr. Speaker, the people of that area have a legitimate reason for opposing this particular application for a license. The main reason is, of course, the fact that the provincial park is right in the center of that community on the Northern Bay Sands, which is a beautiful area, where families visit on weekends, not only from the communities surrounding that area, but from all of Trinity, Bonavista and Conception Bays. A lot of people

from St. John's have the opportunity to go out there during the Summer months, and especially on weekends, taking their kids and going swimming on Northern Bay Sands beach. What they are finding is if a licensed liquor club is operated right at the entrance by the gate, we are going to have problems.

It is not unforeseen to say problems are related to clubs, because you are going to get teenagers and you are going to get other people drinking around that particular area. You are going to get motorcycles, you are going to get motor vehicles where cars are going to be driven fast, and you are going to get the general groups of people that hang out in clubs. The last thing we want to do, Mr. Speaker, is to put something like that in a provincial park as beautiful as Northern Bay.

I spoke to the member for the area before the House of Assembly opened and I made him aware of this. I am sure he will agree, certainly nobody is against private business and the opportunity for people to make a living, and especially when opening up a club. You really cannot say there is anything different between opening up a club or a grocery store because it is free enterprise. But we have to look at the damage that could be done to this park and to the people visiting it.

Northern Bay Sands has been a beautiful area to visit for many, many years, where families go down and swim, especially on Sundays, and take part in recreational activities. What I would like to see happen to the park is an expansion of the park and an

expansion of facilities in the park so that children and families visiting the area can avail of them. Certainly to say that a club is going to be put right at the entrance of the park is not an ideal thing for something like this. I think it would only take away from the beautification of that particular park.

This apparently, as far as I can find out, is supposed to come before the Liquor Licensing Board Tuesday or Wednesday of this week. That is the reason why I think it is of great importance that all members on both sides look at this situation. I ask the member for Carbonear (Mr. Peach) to voice his opinion and do whatever he can. If the people concerned make an application for some other area outside of the community, or whatever, it would be a totally different thing, but to put it right at the entrance or anywhere close to the park is going to destroy the accessibility of the children and the families who go down there and enjoy their recreation on vacations or weekends. I think it would be very, very destructive to the entire surrounding community.

I would ask, Mr. Speaker, that we get support from the government side and any power within the House of Assembly would see that the approval of this application, Mr. Speaker, is denied.

Thank you.

MR. PEACH:
Mr. Speaker.

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

MR. PEACH:
Go right ahead.

MR. LONG:

Mr. Speaker, to that petition.

MR. SPEAKER:

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

MR. LONG:

Mr. Speaker, I would just like to add, for our part, our support to the petition so ably presented by the member for Port de Grave. I guess the minister from the area is going to speak to it, but I am not sure.

I personally have written the Minister Responsible for Culture, Recreation and Youth (Mr. Butt) on the same issue after having received representation from people in Northern Bay and have had several -

MR. BAIRD:

(Inaudible) running around the roof tops.

MR. LONG:

- telephone conversations about what is a very serious issue for the people in the area, although the member for Corner Brook might not take this, as he does any other issue, very seriously.

MR. BAIRD:

(Inaudible) running around the roof tops for the past two months.

MR. SPEAKER:

Order, please!

MR. LONG:

The people in Northern Bay who are right in the vicinity of the park, and people all over the area, are quite concerned about what will happen to a park which has only recently, in the last couple of years, been able to develop a reputation and an orientation toward families. It has been a

struggle, I think, for people who work in the park and for people who work in the area to develop a name for Northern Bay Sands as a provincial park where families can look forward to bringing the whole family and enjoying a weekend or a period of time in the Summer free from what might at other times and in other situations be termed the hooliganism that sometimes goes on in provincial parks.

I can say from personal experience that I myself have frequented this park in Northern Bay Sands over the years and have noticed exactly the change in the disposition of the park on any given weekend. In the last couple of years it has become more oriented towards families and, I think, this has to do directly with the closing down of a liquor establishment that was there in the past.

The specific concern about this proposal is that it is right on the doorstep of the opening to the park and I think the concerns of the residents are quite valid in this case. I think in general it is an important principle that the Minister responsible for parks should bear in mind. The minister for the area, I guess, will speak to it and tell us what discussions have been held within government.

A park, such as the one in Northern Bay Sands, must in a very active way be protected by the department officials and ministers responsible for the maintenance and enjoyment of our parks by the people of this Province.

So, without having a whole lot further to say, we just add our support to the petition. We look forward to the remarks by the minister from the area and a promise that action will be taken

by the government to protect the park and protect the good name that this park has developed for itself.

Thank you, Mr. Speaker.

MR. PEACH:
Mr. Speaker:

MR. SPEAKER:
The hon. the Minister for Housing.

MR. PEACH:
Mr. Speaker, first of all, I want to correct the hon. member who just spoke from the NDP Party. There was no liquor licensed establishment in that area before.

However, first of all, Mr. Speaker, I did speak to the member for Port de Grave on the way into the House. I am a little surprised that the people in the Northern Bay area, who I visit, I guess, weekly and contact daily, did not present that petition to me to present to the House.

Mr. Speaker, there are or have been some concerns expressed because of the particular application made by the individual for a liquor licensed establishment there, but I have to honestly say, Mr. Speaker, that I have only had representation made to me by one person who was not in a conflict of interest with regard to the application. A number of people have expressed their views that a licensed establishment should not go in the Northern Bay area. The people who have expressed that are people who are in the liquor business themselves. I think it is very clear, Mr. Speaker, that in a strict sense they are in a conflict.

Surprisingly enough, the petition has 200 names from Grates Cove to Western Bay. I think that indicates that a lot of people are not against that particular -

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

MR. SPEAKER:
Order, please!

A point of order, the hon. the member for Port de Grave.

MR. EFFORD:
The point I want to make, Mr. Speaker, is to inform the minister and the MHA for Carbonear that the petition I just presented to the House of Assembly carried some 200 names plus, from the people in the surrounding communities. There were absolutely none, to my knowledge, or maybe one or two, who had a particular club in that area. So the minister is misleading the House when he is saying that the only people opposed to the club are people who have a business in selling there.

MR. SPEAKER:
Order, please!

There is no point of order.

The hon. the Minister for Housing.

MR. PEACH:
Thank you, Mr. Speaker.

What I said was that the representation that had been made to me by individuals in the Northern Bay area, out of the four, I think, representatives who came to me, one of them I spoke to at great length last Friday night on the telephone, and three were and are in the liquor business themselves. In Northern Bay we have directly across from the

Northern Bay Sands Park a restaurant that has a liquor license. We have, just down the road, a guest home which has a liquor license, and we have just down the road from that, in Gull Island, a liquor licensed club.

Mr. Speaker, I think that competition is fair however, I think it is fair to say that contrary to what my friend across the way just stated, it is the Liquor Licensing Board who will make the decision. I think it is now very clear that some 200 people oppose this application. I think that petition should be made know to the liquor licensing people because I understand, in talking to the liquor licensing people over the past week or so to inquire about what was happening on this particular thing, that they had some officials go into the Northern Bay area over the past couple of weeks because of the sensitivity of it, and do a door-to-door blitz, I guess, to find out exactly what the people in Northern Bay were saying. I do not know the result of that. I guess it is probably not for my information but will come before the board.

I do, Mr. Speaker, want to say that I support, as always, the people in the Carbonear district and, in this case, particularly the people in the Northern Bay - Gull Island area. They can be assured that I am to represent them and to express their wishes.

If the wishes of the people of the Northern Bay - Gull Island area are not to have a liquor licensed established there, and the parks people have some concerns about it, I am sure, Mr. Speaker, when that is expressed to the Newfoundland Liquor Licensing

Board we would leave it to the good judgement of the board to make their decision based on those comments, based on the petitions, and based on the comments from the people in the parks. If they have concerns over there, I am sure that will come out in the hearing process.

So, Mr. Speaker, I am in support of what those 200 people have said as they relate to that particular area in Northern Bay.

Thank you, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. W. CARTER:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Twillingate.

MR. W. CARTER:

Mr. Speaker, I intended to start off by saying that I was pleased to present this petition, but I have to say that I am not pleased to have to present it because it is the second time now in as many years that I have presented a petition from the Moreton's Harbour, Tizzard's Harbour, Virgin Arm, Chanceport, Carter's Cove, Bridgeport and Valleyview areas. Of course, this petition, Mr. Speaker, was circulated by the Parent - Teachers' Association in the elementary school in Moreton's Harbour. These were parents who fear for the safety of their children, most of whom have to travel over these roads to and from school.

Mr. Speaker, the petition briefly states "That the roads leading to and through Virgin Arm" and the communities I just mentioned "are

in a most deplorable condition.

"Whereas the social and economic survival of these communities depend on the fishery and on the economic viability of the two fish processing plants in the area for their survival; and

"Whereas millions of pounds of fresh fish are transported to and from these communities for processing, and;

"Whereas the condition of these roads are not conducive to the production of a good quality of fish; and

"Whereas," maybe this is the most important whereas, "hundreds of school children have to travel over these roads on a daily basis to and from school."

Of course, the prayer of the petition, Mr. Speaker, is that the roads in question be reconstructed, paved and maintained.

Mr. Speaker, as I said at the outset, this is the second time in as many years that I have presented a petition from the residents of that area. It is a sad commentary, Mr. Speaker, on this government that they have seen fit to continue to ignore the pleas of the people living in those areas and those communities, people who are traditionally big producers in this Province. We talk about old and historic towns like Moreton's Harbour and Bridgeport and Tizzard's Harbour and Valley Pond, which was originally called Whales Gulch. People have lived in these communities now for, I suppose, hundreds of years, old historic communities, that have produced many millions of dollars in new

dollars from the fishery.

Now, in this year of 1988, they are still required to truck their fish over roads that are not fit to drive over. It is no wonder that they are concerned about the future economic viability of the fish plant and the future of the inshore fishery in that area. How can we, in one breath, insist that our fishermen and fish plant workers produce a top quality fish, and on the other hand, allow those roads to exist?

Mr. Speaker, it is a sad story, as I said, people living in what I suppose is one of the oldest regions in the Province have to continue to plead with the government, the government to which they pay taxes and have paid taxes now for a large number of years, have to plead with them to give them something that most Newfoundlanders, most Canadians certainly, take for granted, and that is a decent road over which to drive cars, to transport fish and to transport their children to and from school.

Mr. Speaker, today we hear a lot of discussion about the possible abandonment of the rail service and we have all taken positions as to what we would expect from the federal government if and when that rail service is discontinued. Of course, one of the conditions is we want a proper four-lane highway constructed across this Province.

Mr. Speaker, some years ago Canadian National boats and vessels, that are covered under the same term of the Terms of Union, Term 31, were losing money. They were allowed to abandon the freight and passenger service that they were providing

and were required to provide under Term 31 of our Terms of Union. They were allowed to abandon their runs into the small, remote communities without any thought for compensation or any requirement on the part of the government to provide a decent alternate source of transportation.

I contend, if the Canadian National were to be allowed to cut their losses, as it were, and abandon the coastal service, then it was incumbent on them, and I believe there is a constitutional requirement under Term 31, that they would have provided these small communities with a decent road.

In fact, all of the communities mentioned in this petition, Mr. Speaker, were served by Canadian National boats up until the time they were taken off service some years ago.

Mr. Speaker, the people have a right to decent roads. We have seen evidence where the government has wasted money.

AN HON. MEMBER:
Where?

MR. W. CARTER:
The member says, "Where?" Let me name one: The Round Pond Road area, Mr. Speaker, is a typical example, it is a classical case where money was wasted. The Premier's limousine service, the \$200 tips to drivers, the \$1,200 a night presidential style rooms in posh hotels in Boston, the expense of press secretaries, the very generous expense accounts that are being rolled up by the members opposite.

SOME HON. MEMBERS:

Hear, hear!

MR. W. CARTER:
The very lavish expense accounts that are being rolled up. I know that is a touchy subject -

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

MR. W. CARTER:
- because they are getting pretty upset.

MR. SPEAKER:
Order, please!

The hon. member's time has elapsed.

MR. W. CARTER:
In conclusion, Mr. Speaker, it would have been much better that money being spent on reconstructing the roads in Morton's Harbour than spending it the way it was spent.

SOME HON. MEMBERS:
Hear, hear!

MR. DECKER:
Mr. Speaker.

MR. SPEAKER:
The hon. member for the Strait of Belle Isle.

MR. DECKER:
I would have thought the Minister of Transportation would have been on his feet so fast that I would not have gotten a chance to be recognized. Mr. Speaker, I will certainly yield to him if he wants to speak from across the floor. I am disappointed that the Minister did not jump up and announce that he was going to pave that 20 miles of road, Mr. Speaker.

It would have been so simple for the Minister of Transportation today to listen to this petition which is presented by my colleague from Twillingate District. It would be so simple for the Minister to get up today and say to the people in that district, 'I am going to pave these twenty miles of road. I recognize what you have gone through. I recognize whether the misery and the inconvenience that this is bringing on.' It would have been so simple had the Minister done that.

But for whatever reason, Mr. Speaker, he decided not to stand up. If he does stand up, I will be listening to his every word, I will be hanging on his every word, because this Minister does not get up and support the petition. He gets up and tries to explain this irresponsibility of his government and of his department. He tries to explain why he does not pave roads in the province. So I will be listening to every word when he does get up, Mr. Speaker.

I believe I would be remiss if I did not take advantage of this few minutes that I have to praise the member for the district -

SOME HON. MEMBERS:
Hear, hear!

MR. DECKER:
- to praise the member for the outstanding job that he is doing in bringing to the attention of this House, to the Minister, and to the people of Newfoundland just how important those roads are to the people of this district.

There is hardly a day passes, Mr. Speaker, but sometime the member will corner us, those of his colleagues, and talk to us about

the road conditions down in his district. I am sure, Mr. Speaker, that whenever he gets his chance to corner the Minister of Transportation or any other member of the Peckford Government, whenever he gets an opportunity, he is speaking on behalf of having those roads paved that I think is a credit to the hon. member today, Mr. Speaker.

SOME HON. MEMBERS:
Hear, hear!

MR. DECKER:
I think it has gone too long without being said.

The first Whereas in this petition claims that this road, and we are talking about the road in Virgin Arm and Carter's Cove, Mr. Speaker, Chanceport, Moreton's Harbour, the road which goes out to Bridgeport, Valleyview and Tizzard's Harbour and they say that this road is in the most deplorable condition. Now there is description.

I will remind the minister that I will sit down, if his conscience gets the better of him and he wants to jump up at any minute and say he will pave it. I will sit down. Any instant that he wants to do that, I am ready to sit, Mr. Speaker. That road is in the most deplorable of conditions. How can the minister sit there, Mr. Speaker and not take advantage of my challenge and jump to his feet and offer to pave this road?

Another WHEREAS, Mr. Speaker, says that the very social and economic survival of these communities depend on the fisheries and on the economic viability of the two fish processing plants in the area for their survival. This is how important this road is, Mr.

Speaker. They need this road to truck the product to and from these fish plants.

The minister is laughing at this, as if it is some sort of a silly joke. But, Mr. Speaker, we are talking about the economic and social survival of the fish plants!

MR. W. CARTER:

And the safety of their children.

MR. DECKER:

That is farther down.

They are talking about the economic and social survival of this village. They are talking about the millions of pounds of fish that are being transported from these communities and they are talking about, and they are being kind, they say the condition of these roads is not conducive to the production of a good quality fish product. They are being kind. The actual fact -

MR. SPEAKER:

Order, please!

The hon. member's time has elapsed.

MR. DECKER:

Can I have some leave gentlemen?

SOME HON. MEMBERS:

Oh, oh!

MR. DECKER:

They refused to give me leave.

MR. DOYLE:

Mr. Speaker.

MR. SPEAKER:

The hon. the minister for Transportation.

MR. DOYLE:

Mr. Speaker, I am very pleased

indeed to have a word to two to say on this petition and to support the petition that the hon. member presents on behalf of the people of Moreton's Harbour, Whale's Gulch, Carter's Cove, Tizzard's Harbour, Virgin Arm, Valleyview and a few more places, and to indicate to him as well I know first hand, as a matter of fact, the problems associated with that particular road having travelled over those roads myself on three or four different occasions when I was Minister of Municipal Affairs.

Mr. Speaker, I am sure that the request of the people of those areas is a legitimate request. Nobody wants to travel over or live upon a dirt road in any community in Newfoundland and we fully realize that as a government and as a department and are quite anxious indeed to see every single gravel road, every dirt road in the Province paved.

Hopefully, Mr. Speaker, at some point in the future this work can be undertaken on that particular road because, as I have said, it is a legitimate problem, but it is always a question of funding. Unfortunately, government does not have the resources available to it to undertake every single project or every legitimate project in any one given year.

But over time, Mr. Speaker, I can assure the people of that area that these roads will be taken care off. They are listed, and every other gravel road in the Province, as a matter of fact, is listed for reconstruction and paving and as I said, no doubt the hon. member is aware the department is doing all it can to address these and other capital requirements.

Unfortunately, of course, we are into a double-barrelled problem in that we have 50 per cent of the roads in the Province still gravel, and 50 per cent are paved. While we would like to see many of the gravel road projects undertaken, we are also in the position of having many of the Province's paved roads in a state of disrepair, as well, because of the aging associated with them. It has been necessary, in recent years, to concentrate a significant portion of provincial capital dollars on the upgrading of existing paved roads and to replace many of the older bridges that we have in the Province that are in a state of disrepair.

The hon. gentleman says people have a right to decent roads and I certainly agree with that. Everybody has a right to a paved road, and nothing would give this government and my department greater pleasure than to be able to say tomorrow to the hon. gentleman, and every member who represents a district that has gravel roads, that we were going to undertake the immediate paving of these.

As I said before, many, many times in the House, since this government came to power, since 1979, the department has built 2,200 kilometres of road at a cost of \$234 million, and we have paved 1,700 kilometres, costing \$145 million. That is only since 1979, and, Mr. Speaker, hopefully that type of progress can continue and we will get even more money, and maybe a continuation of the secondary roads agreements with the federal government, so that we can undertake some of these larger projects that deserve attention.

Orders of the Day

MR. SIMMS:

Mr. Speaker, we will do a few first readings here.

Motion 4.

Motion, the hon. the Minister of Culture, Recreation and Youth to introduce a bill, "An Act Respecting The Public Library Service In the Province," carried. (Bill No. 31)

On motion, Bill No. 31 read a first time, ordered read a second time on tomorrow.

MR. SIMMS:

Motion 5.

Motion, the hon. the Minister of Health to introduce a bill, "An Act To Amend The Alcohol And Drug Dependency Commission Act," carried. (Bill No. 29)

On motion, Bill No. 29 read a first time, ordered read a second time on tomorrow.

MR. SIMMS:

Motion 6.

Motion, the hon. the Minister of Health to introduce a bill, "An Act To Amend The Newfoundland Medical Care Insurance Act," carried. (Bill No. 36)

On motion, Bill No. 36 read a first time, ordered read a second time on tomorrow.

MR. SIMMS:

Motion 1, Mr. Speaker, the budget debate.

MR. SPEAKER:

Motion 1. The debate was adjourned by the hon. the Minister

of Mines.

The hon. the member for the Strait of Belle Isle.

MR. DECKER:

Mr. Speaker, I am somewhat disappointed, because the hon. Minister of Mines started off with a great speech which, for whatever reason, he is unable to finish. I am sure there is a legitimate reason.

MR. SIMMS:

It is medical.

MR. DECKER:

The hon. minister says it is medical, so I suppose it would back up what I already thought, that he is the first casualty of that Liberal freight train which he saw coming through the tunnel. Obviously, he must have gotten run over. But he is only the first casualty; there will be many more casualties of that Liberal freight train. Because the hon. minister was dead on. The Liberal Party is coming full-steam ahead and anyone who stands in their way better watch out, because there is going to be casualty after casualty, like Windsor - Buchans and like Waterford - Kenmount.

I understand we are about to have another resignation over there soon, and the same thing is going to happen, or a general election, whichever way they want to go.

Mr. Speaker, the Minister of Forest Resources gave a nice speech. I followed it very closely, and I was interested in what he was saying. I am glad to see that those new airplanes, those water bombers, are, indeed, reacting an awful lot faster to forest fires. Last Summer we had one of the hottest Summers, I

suppose, in recent history, and I was pleased with the way the Minister of Forest Resources was telling how his department is acting. Last Summer was a Summer when we could have had some major fires but for those new planes. And I am sure hon. members know how it came about that our Province got those new planes: It was during the recession, which all other provinces have now come out of but Newfoundland, when Mr. Trudeau brought this scheme in whereby those planes were made available to the Forestry Departments to make work in another part of the Nation. I am glad to see that these planes are being used and that they are effective.

However, after the Minister of Forest Resources had finished his speech, a slip of paper turned up in his hand, hot off the press - I do not know if he took it from his pocket or someone handed it to him - and he asked for leave. We gave him leave, Mr. Speaker. You know, the hon. Minister of Forest Resources, who I believe is a fine and reasonable fellow, I could not help but notice how uncomfortable he looked when he was giving this prepared text. It was obviously not in his own handwriting, because he had difficulty in reading it. There were several phrases there which he had a difficult time reading; he looked ashamed; he looked sort of disgusted with himself, going through this political process. Probably, Mr. Speaker, he thought that he was offending us in reading this, but we did not take back our leave. We gave him leave. We have nothing to be ashamed of. As a matter of fact, we were glad when we heard what he was talking about.

He accused us of paying our leader a salary. Sure, there is nothing new about that. That has been in the press. We have announced it. The people of Windsor - Buchans knew that, the people of Waterford - Kenmount knew that, and the people of Newfoundland and Labrador know it. There is no problem there.

But let me tell hon. members what the problem is in Newfoundland today. Newfoundlanders have no problem with money that is paid above the table, they have no problem with money which is paid aboveboard. The problem that Newfoundlanders and Labradorians have, Mr. Speaker, is with money which comes under the table - Wink, wink! Laugh, laugh! Grin, grin! That is the money, Mr. Speaker, that Newfoundlanders are going to hit this government with and they are going to hit them hard and they are going to throw them totally out of office. That is the money that they are concerned with, under-the-table money, Mr. Speaker. Wink, wink! Grin, grin! Hear, hear! Laugh, laugh!

MR. J. CARTER:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the member for St. John's North.

MR. J. CARTER:

Mr. Speaker, I would like for the hon. member for the Strait of Belle Island to tell us what he is talking about. I would like for him to spell it out. Let us have it! Do not give us half stuff.

MR. SPEAKER:

There is no point of order.

The hon. the member for the Strait

of Belle Isle.

MR. DECKER:

Thank you, Mr. Speaker.

I say to the hon. member, 'Wink, wink!'

The hon. the Minister of Forest Resources, when he was up, talked about free tickets and free hotel rooms. That is not all we are receiving, either. Now, before I finish this speech I am going to tell some other things that the Liberal Party is receiving, which we are proud of.

MR. PATTERSON:

If you do not, we will.

MR. DECKER:

We can say, Mr. Speaker, that we, the Liberal Party, receive donations from business people in this Province, without a word of apology or anything else. We receive donations from business people in this Province. Just like the teachers who are fed up with the insults which are continually being levied upon them by the Minister of Education, the businessmen are giving us contributions; just like the loggers who at one time used to work practically twelve months out of a year and are now reduced to barely being able to get ten weeks, enough to qualify for their unemployment insurance; just like the doctors and nurses who are frustrated with hospital beds being closed down. They are anxious to get this government out of office and they see us as the government in-waiting, they see us as the alternative and they are making contributions.

SOME HON. MEMBERS:

Hear, hear!

MR. DECKER:

Mr. Speaker, members of the public service are making contributions to the Liberal Party, just like the business people, because they are so anxious to throw this government out of office. Yes, Mr. Speaker, they are giving us free tickets and they are giving us free hotel rooms.

Do you know what they would do? They would take the very shirts off their backs and give them to us today. That is how desperate the people of Newfoundland have become. That is how fed up they are with this present administration. If it would help, the fisherman would take off his oil skins. The people of Newfoundland would take the shirts off their backs and give them to us, and they are doing it.

AN HON. MEMBER:

But the Liberal Party has already done that, years ago.

MR. DECKER:

Now, Mr. Speaker, I am going to tell hon. members the clincher, what we are also receiving from business people. I am going to tell you what we are receiving and it is going to come as a shock. I want hon. members to listen closely, because I am only going to say it once. Mr. Speaker, business people, teachers, doctors, labourers -

MR. PATTERSON:

Midwives.

MR. DECKER:

- public servants, midwives -

MR. PATTERSON:

White slavers.

MR. DECKER:

-housewives are giving the Liberal

Party of Newfoundland money.

AN HON. MEMBER:

They are some foolish.

MR. DECKER:

That is what is happening. They are giving us money, and they are giving us money with a vengeance because they want to throw out a corrupt government.

So, the hon. Minister of Forest Resources, when he gets up and gives this prepared speech that the hon. the Minister of Mines was going to give, do not feel badly about it. We have nothing to hide. As a matter of fact, one of the biggest publications in Newfoundland today is The Liberal Letter. If this is the platform that the government is going to use in their next election, give it to us and we will run it for you free of cost in The Liberal Letter, because it is more to our advantage than it is to yours.

Mr. Speaker, these are a few preliminaries. Now, I will get into my speech, I will speak to the budget.

Because, after all, that is what I am really supposed to do. I know this is a wide-ranging debate, but it is not fair to take the full half hour to try to tear down a government which is doing more to tear itself down than ever I could do if I were to speak for three hours let alone a half hour.

MR. PATTERSON:

Who stabbed Leo Barry?

MR. DECKER:

Last year, when the economy was kick-started - remember the kick-start of the economy? - the minister in his kick-starting of the economy predicted a \$173

million deficit in current account. Now, I think it needs to be said that that is a deficit in current account. Because quite apart from current account, every man, woman and child in this Province owes over \$8,000 on capital account. Our grandchildren and our great grandchildren and children yet unborn are saddled with the debt of our capital account which this Tory Administration has inflicted upon us. It is like an albatross, it will hang around our necks probably close to the year 3000, let alone the year 2000. But that aside, we had a prediction of a deficit of \$173 million.

What happened? When the Minister of Finance stood up the other day, I am not sure but I believe I heard him say the actual deficit is only \$58 million. Now, how a man could use the word only for a Province of half a million people and say that our current account deficit, the one that we pay for our bread and butter with, the one we buy our potatoes and pay our light bill with, how he could say that that deficit was only \$58 million beats me. But I believe he said only \$58 million.

Now, I was never a great mathematics scholar and I do not propose to be, Mr. Speaker -

MR. PATTERSON:
You are not an Einstein.

MR. DECKER:
- but there is a considerable difference between a projected debt of \$173 million and an actual debt of \$58 million. I believe, using my solar powered calculator, that that is a difference of \$115 million. Now, how in the name of goodness can a department make a projection and miss it by \$115

million? Talk about aiming at the stars and hitting the picket fence! Mr. Speaker, they really mixed up bad. So, it would make me ask, what kind of terms of reference did that previous minister use when he made his prediction and missed by \$115 million? Was there some wrong with the computer in the minister's department? Was there some sort of a bug in some of the machines? Did the minister do it the traditional way and use his fingers to count off the millions and not have enough fingers?

I do not believe, Mr. Speaker, that the answer is any of the above. I believe the prediction was deliberate. I believe the mistake was deliberate. I believe the Minister of Finance, taking a lesson from his Premier, was posturing. He had no intention whatsoever of running over by \$173 million. He learned posturing from the famous posturing Premier, who postured about the railway. Remember that? I am sure hon. members remember when the Premier got up and said, 'We have a constitutional right that the railway will be ours forever, as long as grass grows and water runs, to all eternity.'

MR. PATTERSON:
Alleluia!

MR. DECKER:
So we got the Premier in here a few short months afterwards and we asked him, 'Why did you change your tune? Why is it that we do not have a guarantee for the railway forever?' 'Oh', he said, 'I was only posturing. I was just trying to make a point. We do not really have an argument, I was just posturing.'

The Premier went up to St. Barbe

district on the eve of an election and he stood up and he threatened to pave the whole Northern Peninsula. As a matter of fact, I considered moving my family off the Peninsula, afraid that we might have some irreparable damage, because we could be bulled over and paved over like the residents of Pompeii some many years ago. And when my colleague for St. Barbe (Mr. Furey) got up and asked the Premier what he was talking about, he said, 'I was only posturing.' Famous last words.

Mr. Speaker, the hon. the Minister of Finance was only posturing and he explained the reason. What they were trying to do was bluff Ottawa - these are the Premier's own words - into believing that Newfoundland was on the very verge of bankruptcy, we were back to the 1930s. We were going to bluff Ottawa into believing that we were broke and there was no other way out but for them to come and bail us out. Now, that is why the minister predicted \$173 million and missed it by \$115 million. It was nothing but a bluff, it was nothing but a ploy, but it did not work. I can imagine the scene in Ottawa when someone comes in and says to Mulroney, 'Boy, you had better get on the blower to the Premier of Newfoundland, because they are on the hand of going bankrupt down there. I can see Mr. Mulroney now, with his chin protruding, saying, 'Look, boy, woman, or whatever, do not worry in the least. That is only the Premier of Newfoundland posturing again. That is only the foolishness he goes on with.' So they laughed it off, they did not fall for the old stunt. Of course, when the new Minister of Finance gets up he proves to Ottawa that indeed there was no

need of this silliness in the first place, that we could have got by with a \$58 million deficit which, by the way, is no joke. So, it was just posturing. The people in Ottawa, the federal government laughed it off as more of this silliness they are going on with down there in Newfoundland which is not worth bothering with. Of course, they were right.

Now, Mr. Speaker, the ploy to trick Ottawa, as far as Ottawa was concerned, was a joke. They laughed it off. But the ploy to trick Ottawa was not a joke as far as the people of Newfoundland are concerned. What an irresponsible, posturing thing to do. Think what it did to the money markets when the minister got up and said that we were going to have a deficit of \$173 million. Posturing! Trying to get Ottawa's attention. Trying to make Ottawa believe that we were slipping into bankruptcy. I do not believe the minister and the Premier realized the significance of the silly little games they were playing. Because when you are the Premier of a province or the Finance Minister of a province, you cannot play those little games, you have too much responsibility upon your shoulders. By trying to trick Ottawa, they could have added a percentage point or two to our interest rates, and think what that could have done. When they made this irresponsible prediction of \$173 million, which they knew was not going to be the case, think what they did to all future budgets which are brought down by future Ministers of Finance.

Mr. Speaker, 1988 talks about a deficit of about \$40 million. Look at the money markets around the world when they see this prediction of last year, which was

\$173 million and came in at \$58 million, and the year before that it was \$25 million, or something, and went up to \$40 million or \$50 million. There is no relationship whatsoever between the predicted deficits and the actual deficit. So, think what this is doing, Mr. Speaker, to the money markets around the world. When they look at the budget as presented by the new minister and they look at the deficits that were predicted and the actual deficits that were manifested, I believe they will take the budget and they will tear it up and throw it in the waste basket, because they cannot trust it.

Experience has shown that no matter what the Minister of Finance predicts, when it comes to reality it is as different as chalk is from cheese, as day is from night, and as black is from white. There is no correlation between the predicted deficits and the actual deficits.

Mr. Speaker, I would caution the new Minister of Finance. I know he is going to find himself under pressure as did the former Minister of Finance before he finally caved in and asked to be removed from the position; he said he could not take it any longer and wanted to be given a little less responsibility. I want to advise the new minister, before he caves in, not to listen to this game play that the posturing Premier is going to suggest to him. I would caution the new minister to be more sensitive of what the reality is and when he predicts a deficit of \$40 million, let him keep it within 3 or 4 percent, let us not see it going up to another \$150 million next year.

These are the things, Mr. Speaker, that we have to be concerned about. In the budget we see one of the largest single allocations going to education, over \$600 million, 23.2 percent of the total budget. And I wondered how that money was being spent until I saw the actions, the shenanigans of the Minister of Education over the weekend. When I see the shenanigans of the Minister of Education, it gives me some indication of his knowledge of the educational problems around this Province, so I do not question why it is that with the highest portion of the budget going to education, we still have the highest adult illiteracy rate in Canada. It is hard to believe that with a budget which takes up 23.2 percent of our total budget, that we would have the highest adult illiteracy rate in Canada.

We should have the top education system in all of Canada. I am beginning believe now, Mr. Speaker, that the only reason that we do not have the best system has something to do with the present minister; that was revealed in the Media on the weekend when we saw his insensitivity, when we saw him insult school teachers left, right and centre. He called Newfoundland outport teachers stupid, uneducated dimwits who are just filling in positions until they get more qualified teachers who might leave St. John's or might leave urban Newfoundland to go out and teach in rural Newfoundland. Now, that is a precis of what the minister was saying. That is making it a little more concise, but that is the gist of his words. I gave the minister an opportunity to get up and say that the accusations were wrong, that the paper misquoted him.

I gave the Minister that chance, but what did he do? He stood up and said, 'I stand by my accusation.' And when he said he stood by his accusation, he was in actual fact saying that teachers in outport Newfoundland are stupid and they are the ones who are causing -

AN HON. MEMBER:

You do not know what you are talking about. Sit down!

MR. DECKER:

That is a rephrasing of the article in the newspaper, and if members cannot rephrase, then I will rephrase for them. The Minister had the opportunity to stand up here today and repudiate every word that that newspaper said, but he stood up and not only did he not repudiate, Mr. Speaker, he added fuel to the fire by making worse accusations.

In that same article, we are talking about how the funding goes on for education. I would have thought, Mr. Speaker, that this government would have had such regard for education that one of the top things on their minds would have been providing an equal chance at education for every Newfoundlander. I would have thought that, but on the weekend the minister tells us no, that is not the case. The Minister says that he was having such a difficult time getting Cabinet to make money available for education, that he had to invite a lobby -

AN HON. MEMBER:

(Inaudible).

MR. DECKER:

It is there in the article. Take the article and read it. He had to invite a lobby, he had to ask

members of the general public, teachers, superintendents to write letters to the government and to the Premier insisting that they make more money available for education.

Now, that is planning, Mr. Speaker. That is long-term planning. That is the way you do things. That shows to me a weak voice in an unconcerned cabinet, and that explains to me why our Newfoundland outport students cannot pass first year math in university; that explains to me why we have the highest adult illiteracy rate in Canada; that explains to me why the President of the Newfoundland Teachers' Association tells about visiting schools where there were leaks in the roof, water buckets all over the floors.

Not very long ago I attended a meeting out in Avondale. That is the district of the hon. the Minister of Transportation, and he was there. The Principal of the school was giving a speech which was not exactly complimentary. As a matter of fact, I went there feeling a little bit like making some political points at the expense of the Minister of Transportation, but I genuinely felt for the man, because nothing I would have said could have been more abusive than was already said, nothing I would have said could have guaranteed his defeat in the next election as much as the points that were being made.

Mr. Speaker, this woman who is the Principal of the school, she got up and she talked about the children in her class and what was happening in the Department of Education. She talked about the sub-normal student, the mentally delayed student, and the difficult

time she was having getting funding so that the mentally delayed students could be taught properly within the system; she talked about them and she gave a solution.

Then, Mr. Speaker, she talked about the normal students and how difficult it was getting funding, and what have you, for the normal students. The next phrase I think hon. members should listen to, because, to me, it was shocking. She addressed the Chair and she said, Mr. Chairman, I have talked about the mentally delayed, I have talked about the normal, and now, she said, there are the abnormal. And do you know what she said? God help them! God help them! Now, there is a judgement. There is an examination. There is a statement which talks about our education system - 23.2 per cent of our budget and a principal of a school who is right out in the trenches, who sees this money as it is being spent, she refers to the abnormal student, she refers to the geniuses, she refers to the inventors, she refers to the ones who have brought us along and have dragged us through right from the beginning of time, the abnormal, the geniuses, and she says, 'God help them.'

Mr. Speaker, what are we coming to in an educational system when we cannot cope with our brilliant children? Where are we going? What is going to happen to us if all our brilliant children are going to end up not getting through our high school system? She said, 'God help them.' I would add to her statement, Mr. Speaker, and I would say, 'God help us if we cannot devise an educational system whereby we can provide an adequate education for our mentally delayed, for our

average student, and for our brilliant student.

Mr. Speaker, I could not pass up this opportunity without referring to this school tax system that we have been trying so valiantly, over the past number of years, to have taken down and put in its place a more equitable method of funding.

MR. YOUNG:

It was the Liberal Government that brought it in.

MR. DECKER:

Well, if the Liberal Government brought it in, the Liberal Government had no business to bring it in, Mr. Speaker. Let us just put this thing in perspective. If, as the hon. members says, the Liberal Government brought it in, the Tories kept it in. But be you well assured, the Liberal Government will throw it out.

SOME HON. MEMBERS:

Hear, hear!

MR. DECKER:

Just as sure as we are supposed to have brought it in, we will throw it out, and that, Mr. Speaker, is an absolute promise. That is an absolutely commitment. If we brought it in or if the Tories brought it in, we will throw it out. Let that go out to every Newfoundlander today. And do you know why we are going to throw it out? We are going to throw it out because at this very moment, the last statistics we have, in a year the Avalon Consolidated School Board receives by way of government funding, equalization grants - I am sure now, Mr. Speaker, people did not realize that - and school taxes, \$593 per student per year. Now, that is

discretionary funding. That talks about when the student is on that level playing field right in the classroom.

AN HON. MEMBER:

How much (inaudible).

MR. DECKER:

Burgeo? The member asks about Burgeo.

AN HON. MEMBER:

No.

MR. DECKER:

If the member is asking about Burgeo, I will tell him about Burgeo. Burgeo, Mr. Speaker, by way of government grants and the equalization programme that the Minister of Education gets up and brags about - shame on him, to brag about it! - and the school tax, fifty-five dollars, which is all they are able to raise, get a total of \$331 per student per year. That, Mr. Speaker, is a difference of \$262 per student per year. For the Burgeo School Board the total amount would be just about \$178,000. That is the difference. Think what that school board could do if they could receive their equal treatment, which would be just about \$178,000 extra.

The Avalon Consolidated School Board receives \$593 per student per year for discretionary spending. The Notre Dame School Board receives \$401 in taxes, equalization grants and government grants, for a total of \$192 per student per year. If the Norte Dame School Board were being treated fairly, they would be receiving an additional \$644,000. Do you think they would have trouble paying for their oil or their lights? Of course they would not.

I had a whole lot of other things I wanted to address, but my time is running out.

MR. J. CARTER:

By leave!

MR. DECKER:

Thank you.

I should speak about jobs, Mr. Speaker. The budget is always talking about jobs, jobs, jobs.

MR. SPEAKER (Parsons):

Order, please!

MR. DECKER:

Do I have leave?

MR. J. CARTER:

Yes, you have leave.

MR. DECKER:

Thank you.

SOME HON. MEMBERS:

No, no leave. No leave.

MR. DECKER:

Well, Mr. Speaker, if they will not give me leave, I will sit down knowing that the loss is theirs.

MR. SIMMS:

You are too devastating.

SOME HON. MEMBERS:

Hear, hear!

MR. J. CARTER:

Mr. Speaker.

MR. SPEAKER:

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

MR. J. CARTER:

The member cannot say I did not offer him leave, but I am rather thankful that the lesson has ended.

The member went all over the

country with his speech. I think we only have half an hour to speak, and I think it is better, perhaps, to concentrate on one or two topics, and the topic I have chosen today is one that I want to persuade some of the members of the Opposition about, particularly the Leader of the Opposition and more particularly the member for Twillingate because of his sometime occupation as a contractor, I think it is an important topic and, of course, the budget speech allows us to speak about almost anything. I suppose it confines us to this planet, but that is about as binding as it is.

Now, I would like to speak about the metric system. The metric system has been in force, has been invented, I suppose, for about 200 or 300 years and it works very well as a scientific system, but I do not think it works very well as a measuring system for every day use. I think it was the Trudeau Government that brought about the change into the metric system, trying to align us with the Continent of Europe. Now, in Europe they have it for many years, and the same criticisms that I am about to make of it do not apply. But the problem with the metric system is that it is so very different from the system of weights and measures that we are used to, that the conversion causes great and grave problems. My reason for bringing it up during the budget speech is that the changeover is an extremely expensive one. We are talking about an awful lot of money. A great deal of money. Estimates vary, but in Canada as a whole it is probable that the metric system has cost several billions of dollars; the changeover has cost that much, and I will go on about

it.

For instance, an ordinary set of scales for a shopkeeper, one for weighing produce, it is usually electronic and digital readout, they cost about \$1,400 or \$1,500, perhaps \$2,000, and they all had to be changed when we started with the metric system.

The sale of gasoline fuel was changed from gallons to litres. There is not an exact number of litres in a gallon, it is four and a half, I believe, but the price of gasoline was only divided by four, so we all had to pay up a little bit more money for our gas because of the changeover.

Road signs: The former Minister of Transportation informed me that each road sign costs about \$100 to make and to put in place and, of course, they all had to be changed.

Now, this is water under the bridge and I am not suggesting that we change back, but the theme I am trying to develop and the argument I am trying to make is that we are about to, unless we are on our guard, experience the most expensive change of all, and that is the change of weights and measures for building materials. If that is changed look out, you are to face an awful lot of money. For instance, you will no longer be able to buy a standard door, you will have to get it specially made; you will not be able to buy a standard window, it will be a special job. All the existing houses and buildings in Newfoundland, or in Canada, for that matter, but certainly in Newfoundland, will have to be repaired at some point or added to or subtracted from, and it will be almost impossible to match the existing materials.

Think of tongue and groove board. You will never be able to get it to line up. Think of wallboard and sheets of so called 4x8. They will not be 4x8 anymore. They will probably be one meter by 2 meters. Now, try and imagine trying to do any repairs with gyprock or wallboard. Our buildings now, most structures, are either built with 4x8 sheeting or 4x10 sheeting and now, of course, you will have to try and fit metric size sheeting.

The contractors and the carpenters in Newfoundland are very, very upset at the prospect of this change. I think they are not complaining about it too loudly because I do not believe they believe that the changeover for building materials is going to take place. But it may, and if it does, it is going to be a very, very costly experience. I think that this is the right time and place to bring it up and to try and convince members, not only on this side of the House, but on the other side of the House as well, of the very expensive consequences.

I will never really forgive Trudeau for bringing in the metric system. He has cast a whole generation adrift. I do not think hon. members opposite are able to think in terms of kilometers. We always convert. How far is thirty kilometers? We shall have to do a quick sum and show it is so many miles. The units are the wrong size. A centimeter is too small, a meter is too large, the gram is far too small - What do you buy in grams? - and a kilogram is too large. You do not even buy a kilogram of butter. You buy a pound of butter.

The problem will be with us for many, many years because so many

of the things that are now scaled in inches and feet cannot easily be converted into meters and centimeters. It is a peculiar system and I would urge members to look at it with a great deal of suspicion.

My plea is really that we stop where we are; We do not continue with any more conversions. We cannot turn the clock back, and I do not suggest that. But I suggest that we live with the two systems along side each other as best we can. So, there it is. I would urge members to think about it fairly carefully.

On another note, the first day that this House met I asked the Leader of the Opposition a serious question. He declined to answer, as is his right. No member is required to answer a question that is addressed to him. But I did ask him, 'What members are lame ducks?' He refused to answer. So I thought I would perhaps go through the list of members opposite. Now that the Leader of the Opposition is here, perhaps he could nod or give some indication as to which members are the lame ducks.

The member for Stephenville, for instance, is he going to be allowed to run again? He is obviously too young. The member for Port de Grave is obviously too rich, so he is not going to run. We all heard with great pleasure today - I think it is generally known - that the member who gave way for the Leader of the Opposition, his family just received a great windfall. I understand they won the 649 Lottery and received \$2.5 million. I think every member here is very happy for him.

SOME HON. MEMBERS:
Oh, oh!

DR. COLLINS:
I always thought he was a very, very nice man.

MR. J. CARTER:
I am sure that I echo the sentiments of everyone when I say that we are very happy for him and his family. His parents good fortune is not necessarily his good fortune but I do not think they would see him stuck. Now, the member for Fortune - Hermitage:

MR. PATTERSON:
He is not running.

MR. W. CARTER:
No, he is not running. The Leader of the Opposition has no confidence in him, I am sure. The member for Fogo, the Incredible Tulk, is he going to run again?

MR. PATTERSON:
No, he is not running.

MR. W. CARTER:
Mr. Furey is not in his seat, or I should say the member for St. Barbe, I should not mention him by name except in Committee. He is not going to run.

So, would the Leader of the Opposition, when he has a chance, indicate who he is going to have some confidence in because it is not worth our while to really debate seriously with members who are lame ducks and who are not going to be taken seriously.

I imagine after the next election the minority party will disappear. We have the member for Menihek, Port au Port who is not in his seat.

MR. LONG:

I am running in St. John's North.

MR. W. CARTER:
If the member for St. John's East (Mr. Long) cares to try his hat in St. John's North, that is his business. I have no problems with that.

So, with those few remarks I have used up a good deal of my time. I do not wish to take up necessarily all of my time, but the first part of my remarks were serious, the second part were half serious, but it is a good question. How many of the members we should really take seriously because looking over there, they are a strange bunch.

I would hope that the Leader of the Opposition, who has certainly raised the tone of the Opposition, will get better candidates. Perhaps he would outline who he has confidence in.

MR. PATTERSON:
He cannot find one to beat me in Placentia.

MR. W. CARTER:
Thank you for giving me this chance to get a few concerns off my chest and I look forward to the rest of the debate.

SOME HON. MEMBERS:
Hear, hear!

MR. GULLAGE:
Mr. Speaker.

MR. SPEAKER:
The hon. member for Waterford - Kenmount.

SOME HON. MEMBERS:
Hear, hear!

MR. GULLAGE:
Mr. Speaker, it is a real pleasure

to be able to respond to the budget.

Before I do so I would like to, first of all, say how I feel about being here, finally, having waited for a couple of weeks watching the proceedings and to thank those of you, the Premier, the Leader of the Opposition, and the NDP Party for their greetings at the time when I first entered the House and indeed would like to thank all members for having welcomed me since I first came to the House. It is a real pleasure to be here and certainly I feel honoured to be here to represent Waterford - Kenmount in particular and the Province in general.

Speaking of Waterford - Kenmount, I would like to as well thank all of the voters of that district whether Liberal, PC or NDP, it does not matter. The election is over. I would certainly like to thank them for their participation in that particular campaign and many of those voters for their confidence in me.

It was, as we all know, a very interesting campaign, a very clean, well fought campaign, and I once again would like to thank the people for their confidence.

Waterford-Kenmount, as we all know, is a rather large geographical district - I would just like to talk about it for a moment before I get into some points on the budget - which runs from Mundy Pond Road to the famous Overpass we may not have mentioned few times today, but we have certainly heard a lot about it, the Overpass on the West, and from Mount Pearl to Kenmount Road South to North. So it is a large geographical area and indeed is a very interesting district with a

lot of new housing, as was mentioned by the Minister for Housing (Mr. Peach), particularly in the Mount Pearl section, and also in Cowan Heights.

There has been some reasonable growth in housing and a lot of new people living in the district. However, I would like to add to that by saying we have acres and acres of undeveloped land. It is land which is going to become more and more important. I have already had contact with people who are interested in acquiring lots and building homes and, of course, contractors and developers who are interested in expanding as well.

There are plans for the undeveloped area to the West, now that we are pretty well out of serviced land as far as Newfoundland and Labrador Housing is concerned. I think we have reached the limit as far as Cowan Heights in particular, and we are now in a situation where we need the Province to take action and to expand the water and sewer, the trunk lines, expand services to Mount Pearl and to St. John's West, to see that the future is looked after as far as housing is concerned. I am sure the minister would agree given the fact that the three main points and the focus of his comments to the Estimates Committee where the priorities were the need for non-profit and social housing, the need for expanded services to seniors, whether it be seniors homes or otherwise, and, of course, the services to the underprivileged.

So we do have a situation where one of the largest tracts of undeveloped and unserviced land lies within my district and I

would encourage the government to focus on Waterford-Kenmount in that respect, given the demand and the growth of St. John's and Mount Pearl, and of course, as we all know, hopefully before too long, the added burden upon the St. John's - Mount Pearl region as we move into servicing the offshore, hopefully with an agreement, if that is forthcoming, the long-rumored agreement that we hope will be in place. We will see St. John's and Mount Pearl in particular, initially at least, as far as servicing these rigs are concerned, with great pressures upon both cities to deliver services and housing.

I mentioned in the Estimates Committee the importance of land banking in the context of being sure we are not competing with the private sector. The point I was making I will repeat once again. I think it is important for government to plan the growth of cities and towns in advance of that growth and provide land banking outside of boundaries wherever possible. I know it is not always possible, but wherever possible so that land can be acquired and put in place, not just for the use of Newfoundland and Labrador Housing and the government, but also put in place so that, in co-operation with Municipal Affairs, the housing and the growth of the city is able to be planned well in advance of that growth, providing land that would be very costly if servicing is to take place after boundaries have been expanded. I can give many examples of that, one of which, of course, is obviously St. John's - Mount Pearl, where a lot of the pressure for development, as I mentioned, is going to take place hopefully in the foreseeable future.

Speaking of land banking and the need for infrastructure and water and sewer, I would think, if the government is to respond adequately at all, it is going to have to consider re-allocation of a lot of the expenditures that we see in the government departments involved, Municipal Affairs and Housing, because, if I read correctly, the Budget makes mention of water and sewer, road construction and paving debt principal payments of \$16 million for the entire Province. Sixteen million, when faced off against a budget for Municipal Affairs of \$111 million, seems like a very small percentage of a most important budget, as far as the municipalities are concerned. I would wonder why that percentage is so small.

I know we are loaning to the municipalities, under guaranteed loans, \$25 million, but a loan is something that has to be repaid. It is not exactly in the context of cost-sharing that municipalities have been used to the past.

Mr. Speaker, my concern is that, as we have seen over the last few years, more and more of the burden of government is being passed down, first of all, from the federal government down to the provincial government and then, finally, down to the municipal level.

Just to get back to the housing question once again, it is in the budget; 'We have raised extra capital through revenue by way of raising fees.' One of those areas of increased fees is the cost of registering mortgage documents and conveyances. I have had this concern expressed to me many times since being elected, and even

prior to that, of how homeowners, in particular new homeowners, first-time buyers in many cases, are suddenly struck with this extra cost, and it can be as high as \$1,000 per house, of conveyances and mortgage documents having to be paid for after they have arranged for a mortgage based on a much lower assumption than they thought, that cost and that burden having to be added to by an ever increasing cost of registration fees that seem to be going up year after year. That is in the budget, and that is one of the sources of added revenue, as far as the government is concerned. That should not be tapped when the demand for housing is so great and the numbers of new home buyers that are coming into the housing market is increasing every day and is going to increase even more in the future, I would think. We should not be adding extra burdens such as registration fees and conveyancing fees in the neighborhood of \$1,000 per unit.

I want to return again to the municipal taxing area. I wonder why the government has decided to continue to pass down the cost of government and the burden of government from a municipal standpoint and housing standpoint to the municipalities. I know I can speak for two of the larger municipalities, St. John's and Mount Pearl, in the growing pressure that they have to deliver services when cost sharing programmes are very difficult to access.

I would think we have probably reached the end of the road as far as property tax is concerned. We certainly cannot afford to add to that burden, given the amount of property tax that is being paid now in the urban areas. As far as

rural areas are concerned, I note that the budget suggests that it is encouraged by the response of municipalities to the implementation of property tax as a means of increasing local revenues. So they are encouraging property tax meaning, of course, that government will not have to respond in the same fashion as it has in the past.

Now there is probably no question that property tax is not a fair means of taxation in any case. Almost everything I have seen suggests it is a very unfair tax, much like the school tax in that it is not assessed fairly. Income tax is probably the fairest tax of all. I would think that a lot of these communities that the government is now praising because they have implemented property tax, communities that have not had a property tax before, are now going to be under great pressure to deliver services as they are going to be demanded by their people that were not in place before, water and sewer services, other municipal services that naturally, incorporated communities that are without them will be demanding them, especially when they realize that their property taxes are being put in place and the property tax will be the means of paying for the services and no longer will government continue to fund as it has in the past.

I would question, Mr. Speaker, the amount of pressure. I would suggest, Sir, there will be great pressure on many municipalities throughout the Province, pressure on the urban areas, but certainly even moreso on smaller towns and communities that have not been used to having to deliver costly services and ever-increasing

costly services with a very limited budget. Even if it is their own budget, it is going to be very limited and, it appears to me, with a corresponding decrease in support from the Province.

I would like to move over to another area of the budget now, Mr. Speaker, and comment about the sales tax of 12 per cent, the highest sales tax in Canada. The closest to us is New Brunswick with 11 per cent. Of course, Alberta has none, and British Columbia has 5 per cent. The average appears to be about 8 per cent.

Here we are with an economy and a Province that is struggling, to say the least, imposing the highest sales tax in Canada upon our people. I might suggest if we were to consider bringing that sales tax down to the Canadian average of 8 per cent, we would free up \$143 million, by my calculations, and I wonder what would be the result? The Board of Trade and other groups have speculated that the reduction in sales tax would help the business community and would help the private sector in general.

It would certainly help the retail sector and would bring more dollars back into the economy, as opposed to restricting growth in our business sector right now if, in fact, we were able to expand business and expand industry as a result of that reduction. I wonder out loud what would happen to the corporate income tax, for example, which the budget shows at only \$76 million. Would that go up correspondingly? If it did, would that not be a way of reducing, a way of saying that we can bring down the sales tax.

Equalization payments, which we

all know, as the economy expands come down, would take some time to react, but there is no question that a reduction in the sales tax would possibly stimulate our economy. We do not know for sure. We have not done it. But to continue on with a 12 percent sales tax in a province where we have literally the highest cost of everything, really - you name it and we are the highest - with the lowest incomes, seems to be self-defeating to me. It is one area of the budget that I certainly expected some change in, but again, we have to live with and our people have to live with the highest sales tax in the country for at least another year, or certainly until another budget.

Mr. Speaker, one of the areas of concern that I had brought forward to me, I would say moreso than any other during the Waterford-Kenmount campaign was the unemployment problem in Newfoundland and unemployment as far as our youth is concerned in particular. I am not suggesting that unemployment is confined to our youth, but you have to wonder sometimes if it is.

When you look at the figures, and you see our youth unemployment figure at 29.4 percent last year, compared to the Canadian average of 13.7, Unemployment Insurance recipients as a percentage of our labour force last year at 28.9 compared to 7.8 for Canada as a whole, you would wonder if that is not possibly the most serious area of the unemployment picture.

Unemployment itself, the general rate, including the youth sector, is 18.6, compared to the Canadian average of 8.9 in 1987. So youth unemployment, as a component of the overall figure, is 29.4

percent, compared to 18.6 for the province. So it is a serious problem. I can assure you that youth entering the work force for the first time, and those who are in university and in other colleges and training facilities considering their future, are very, very concerned about where they are going to find work.

I would think that this province and this government is going to have to face the problem of debt charges at 17.9 percent of the budget on current account, 17.9 percent, which, of course, is dollars we are spending on debt which could be spent on other areas.

My suggestion is we have to start focusing on spending dollars where the private sector can help us bring this economy back. Mr. Speaker, we have to be encouraging all programs where we can have the private sector play a part and act in partnership with the government.

The Private Sector Employment Initiatives Programme was \$7.5 million and the Newfoundland Stock Savings Plan, which is proposed in the budget, are both needed and more as well. But we have to tie in that sort of programme with the private sector and encourage the private sector and those firms, whether it be industry or otherwise, whether it be the retail sector, for example, whether it be large industry or small industry, it does not matter, firms that are willing to employ our youth and, indeed, employ anyone, if they are willing to get involved in helping to solve this massive unemployment problem, we should be encouraging those firms over any other and making sure that the Stock Saving Plan, and ventures such as that,

are targeted towards firms, in particular, that are willing to help us solve the massive unemployment problem that we have in this Province right now.

We have not seen the details of the Stock Savings Plan as yet. I assume that it is not going to be confined, as it appears the ACOA Program is, to a particular segment of the economy. It seems to be confined to large industry and precludes the smaller component, small business, if you like, smaller industries, and venture capital situations. I would hope that the Stock Savings Plan is going to focus more on areas that can impact upon other average small business, the average man on the street, people who are willing to start new ventures and really help us get the economy moving.

We all know small business throughout Canada, probably moreso than any other area of the growth sector of the economy, is probably the most important sector of all. Too often programmes, such as the Atlantic Canada Opportunities Agency, seem to be focusing on areas other than small business.

Mr. Speaker, the government has in mind its initiatives now with the Stock Savings Plan and anything else it might do in the area of encouraging people to invest in Newfoundland, rather than sending our dollars out of here into the stock market, into companies elsewhere. I would praise that particular programme and more like it, but I certainly would like to see that programme and others focused on encouraging our business people and letting them become involved. Let us not tie them up in red tape and see a situation where we will have our

people say, 'This is a wonderful programme, but I cannot access it because you have precluded my particular type of business.' Too often that is the case. I have heard that complaint and I hope I do not hear it with the Newfoundland Stock Savings Plan.

Mr. Speaker, some weeks ago I had a person knock on my door and ask if he could speak to me for a few minutes. I said, 'Sure, come on in.' His problem was that his lights had just been cut. So I want to address for a moment one of the problems I see with the Public Utilities Board. I know that a decision has not come down from them yet, but I was the person who initiated the debate with PUB on this particular one because of this individual coming to my home.

In fairness, I called Newfoundland Light and Power and they put the lights on immediately. I would praise them for that.

My comment is: Never, in this day and age, should a person have his electricity cut off where he has no heat and no way to feed his family. That happened in the dead of Winter. There was a snowstorm on at the time when this person came to my door. Mr. Speaker, that is wrong and PUB should rule that it is wrong.

There has to be better ways, and if not, it should never be this way. There has to be better ways to deal with situations where people cannot pay. In this particular case, by the way, this individual literally could not pay. His statement to me was, "I cannot afford to pay my light bill. I do not get enough money from social services to live on. My light bill is gone behind." He

was genuine. I am sure he was.

Newfoundland Light and Power said, 'We have many, many cases where people cannot afford to live on their social payments.' They need more dollars to live on. Inadequate dollars being provided by the government in that area caused the problem of these lights being cut. Mr. Speaker, in this day and age that is wrong.

SOME HON. MEMBERS:

Hear, hear!

MR. GULLAGE:

One final comment, Mr. Speaker, and I know this is going to impact on the budget. I would like to encourage the government to ensure that our forthcoming agreement with the federal government on the railway, before it is completed, is delivered and is signed and agreed to in the proper way.

The road that we will hopefully put in place, the four-lane highway, will be completed before the railway is started to be disbanded. Nothing should be touched with the railway until the road is complete.

SOME HON. MEMBERS:

Hear, hear!

MR. GULLAGE:

A maintenance agreement should be put in place as well and put in place before anything is touched as far as the railway is concerned. The employment of the workers should be guaranteed in other jobs within the federal civil service or elsewhere, or proper pension arrangements be made where that is applicable.

Finally, that buildings, infrastructure, land and the railbed itself should be part of

the agreement as to what will happen with the disposition of those lands and those buildings.

I have not heard that spoken to, but I know just speaking from the City of St. John's, we have considerable lands, considerable buildings, acres and acres of land, which happened to sit in my Ward in council, so I am very familiar with it.

I have been asking in council, by the way, what is going to happen if in fact the Province agrees to the phase out of the railway, because it will have to be a phase out, I would hope, only being started when the highway is put in place, when that is finally complete. If, in fact, it is phased out, will we see a lot of these building and these lands properly transferred to the City of St. John's, the City of Corner Brook, Port au Basques, or whoever is impacted by it? The disposition of these lands should be part of the consideration for an agreement before it is put in place.

Finally, Mr. Speaker, I think my time is about up and I would thank the House for having indulged me, as someone said, in my first maiden speech.

Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. TOBIN:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Social Services.

MR. TOBIN:

Mr. Speaker, thank you very much.

I would like to commend the hon. member for Waterford - Kenmount (Mr. Gullage) on his speech. I have no doubt his speech and what he had to say was indeed a very conscious effort on his part.

I noted one thing he said as it relates to Social Services. I can tell him that in regard to light bills, despite, Mr. Speaker, whatever falsehoods the member for Port de Grave (Mr. Efford) would like to spread, the Department of Social Services nor me, have issued no direction with respect to light bills.

I can further say, Mr. Speaker, that we evaluate each case on its own merit as it relates to Newfoundland Light and Power issuing, as he said, immediate cut-off notices.

I do not know how compassionate they are now, but I do know, Mr. Speaker, that Newfoundland Light and Power showed no compassion whatsoever to anyone when the Leader of the Opposition was Chairman of the Board. All they were interested in at that time was making the millions of dollars on the backs of whoever crossed them, whether it be people on social assistance or elsewhere.

MR. PEACH:

Lay it on, lay it on them.

MR. TOBIN:

That was his policy. I do not know if it has changed, Mr. Speaker, since the Leader of the Opposition left, but his policy then, as Chairman of the Board of Newfoundland Light and Power, was substantially the same as his policy as leader of a political party in this House. That is, 'Get me as much money as I can, as fast as you can.'

MR. PEACH:

Right on, \$150,000 is just a joke.

MR. TOBIN:

Mr. Speaker, let me say that the budget which was presented to this House has in it several key issues and I just want to touch upon a few as my time is drawing to a close this evening. I guess I will have to go back at it later.

When you look at my own department, Mr. Speaker, I am obviously pleased that since 1979 the budget for the Department of Social Services has expanded and grown by 146 percent, which is very significant, Mr. Speaker, in terms of the growth in dollars and the services that we are providing to the people of Newfoundland and Labrador.

What was that?

MR. LONG:

You should put this on tape because people will never believe you.

MR. TOBIN:

That is right Mr. Speaker, the hon. gentleman is on tape the last time he voted for NATO. He is on tape. He was on roller coasters, the fastest he could get out of the House, scurrying, Mr. Speaker.

AN HON. MEMBER:

(Inaudible).

MR. TOBIN:

Yes, what a comeback. What a comeback Mr. Speaker, what a comeback! The only fellow I would suspect, Mr. Speaker, that Gorbachev would kiss in this Province.

AN HON. MEMBER:

(Inaudible) interrupt you?

MR. LONG:

Yes, every time I stand up.

MR. TOBIN:

Mr. Speaker, let me say that the Department of Social Services this year has a substantial increase in its budget and I am sure I will get the opportunity to expand and explain on it when I appear before the Estimate Committees. We have a very expanded programme.

AN HON. MEMBER:

(Inaudible.)

MR. TOBIN:

That is right. You better believe it, Mr. Speaker, I am really waiting for the opportunity to get there and to explain it. Yes, Mr. Speaker, I will tell you, the member from St. Barbe (Mr. Furey) should shake his head and say, 'Yes, you had better believe it' because I would suspect there is a certain social worker in this Province that is causing the member for St. Barbe some concern as it relates to what may happen in the next provincial election.

There may be a social worker, Mr. Speaker, in this province that may show the member for St. Barbe what politics is all about come the next provincial election, and I can understand him nodding his head, particularly after what we have been hearing lately.

MR. SIMMS:

Elaborate, elaborate.

MR. TOBIN:

We will talk about that after. I want to get into that when I really get wound up next week.

Mr. Speaker, another very important issue in the Department of Social Services I will be making an announcement very

shortly about, as it relates to the funding which has been granted for the construction of a new secure custody facility for young offenders in this Province, which is indeed very important to the social aspects of this Province and something that came about as a result of The Young Offenders Act. We will be having more to say about that, Mr. Speaker, very shortly.

The other issues we can get into as it relates to the budget are some very good opportunities, Mr. Speaker, particularly for my own district in the line of the Department of Health which is opening a new health care facility in Salt Pond on the Burin Peninsula. Mr. Speaker, that will be opening some time this Summer. That is my understanding now from meetings I had with the Board of Directors just recently and the Chairman of the Board, a very competent and a very capable Chairman, Mr. Speaker, as it relates to the opening of the new hospital. We have everything ready to go. All of the specialists, Mr. Speaker, have been hired for the hospital and are ready to go in place. We are really moving on the Burin Peninsula as it relates to the health care facilities when you look at the new hospital at Salt Pond, the hospital at Grand Bank and the hospital at St. Lawrence, Mr. Speaker.

As it relates to the senior citizen home in -

MR. TULK:

Could you tell us a little bit about what you heard about the Liberal meeting down there?

MR. TOBIN:

Yes, Mr. Speaker, if I have time,

I certainly will tell about them having to give away invitations to high school students and bring them into liquor establishments. We can talk about that all night.

SOME HON. MEMBERS:

What? What?

MR. TOBIN:

We can talk about that all night, Mr. Speaker, about the tickets they gave away. As a matter of fact, I know a man who called me who was offered a ticket in the mall. The personal attacks, Mr. Speaker, by the Leader of the Opposition (Mr. Wells) really showed the people of Burin - Placentia West type of individual he is.

When any man would go out there and personally attack people in the House of Assembly, I think it clearly indicates the type of an individual that he is, Mr. Speaker. It really indicated, Mr. Speaker, the type of individual -

SOME HON. MEMBERS:

Oh, oh!

MR. TOBIN:

Mr. Speaker, Steve Neary never got on that way.

The thing is that it is great. We can also go into some of the meetings that he had this weekend as it relates to why some of the people did not show up at the Liberal gathering in Marystown and how his executive assistant had to bail him out of some of the meetings when he started putting his foot in his mouth as it relates to labour policy and anti-scab legislation for the Province. We can get into all of that too, Mr. Speaker. We can really get into it.

I think I will save the other one until tomorrow. Mr. Speaker, we can really get into what went on on the Burin Peninsula, in Grand Bank the other night, Mr. Speaker, were he had one hundred. As a matter of fact, Mr. Speaker, we had more people to our function in Marystown last Fall than the Leader of the Opposition had in Marystown Saturday night, Grand Bank on Friday night, and what he had in Marystown last year combined. In one function, we had more than he had in three.

SOME HON. MEMBERS:
Hear, hear!

MR. TOBIN:
Mr. Speaker, we did not have to give away any tickets to high school students in this Province. We had 340 tickets sold and cut off a week before, Mr. Speaker,

MR. R. AYLWARD:
It was only for Wilson Callan selling them out in Bellevue that he would not have gotten any out there.

MR. TOBIN:
As a matter of fact, it is somewhat similar to the function that he had in Port au Port the other day.

Mr. Speaker, when the hon. member wants to talk about conduct in this House, first of all, he should pony up, Mr. Speaker, lay on the table who was putting the tens of thousands of dollars a year into his pocket. What business person is he in debt to in this Province when he wants to start talking about conduct, Mr. Speaker? We will talk about conduct in this House.

I am very proud of my performance as the member for Burin -

Placentia West.

SOME HON. MEMBERS:
Hear, hear!

MR. TOBIN:
The people of Burin - Placentia West, Mr. Speaker, will decide on my conduct in the House and my performance, and not the hon. Leader of the Opposition.

I remember sitting here the last time, Mr. Speaker, when they got on about my conduct in the House and I went out and I increased my majority from 206 to 1,175.

SOME HON. MEMBERS:
Hear, hear!

MR. TOBIN:
I remember that, Mr. Speaker. And according to what I was told the weekend, I can honestly say I look forward to my majority increasing again the next time.

SOME HON. MEMBERS:
Hear, hear!

MR. TOBIN:
Because my conduct in this House of Assembly is above board. There are no brown envelopes being delivered to Glenn Tobin, Mr. Speaker. My salary is good enough to me and my family.

As the Minister of Education said today, Mr. Speaker, 'Out in the bay is home to me.' I am not one of these uppity, uppity multi-millionaires from Duckworth Street practicing law in this Province.

I can say, Mr. Speaker, that when a man comes into this House and has to look at the business community in this Province and say, 'Fatten my wallet for me, I want to work in dignity,' what is

he saying to the workforce in this Province, Mr. Speaker, who have to work on a lot less than \$125,000 a year?

When the Leader of the Opposition is prepared to practice the right conduct in this House, then we, on this side, will probably not get involved in his salary and the money that is being pumped into his pocket.

MR. R. AYLWARD:

(Inaudible) declare his conflict of interest.

MR. TOBIN:

Oh, there is no doubt about that loophole.

MR. R. AYLWARD:

Yes.

MR. TOBIN:

Well, no doubt about that, we will deal with that too in time and we will talk about a whole other pile of stuff.

We do not forget when he was Minister of Labour either, Mr. Speaker. I think that is very well renowned. I notice that the President of the Federation of Labour touched on it the weekend, as it relates to when the member was Minister of Labour, Mr. Speaker. He did not get into the legislation that he wanted to introduce to the House. That will be all dealt with at the appropriate time, Mr. Speaker, some of his labour programmes. There is no doubt about that.

MR. SIMMS:

Would the hon. minister like to adjourn the debate?

MR. TOBIN:

Yes.

Mr. Speaker, I move to adjourn the debate.

MR. SPEAKER:

The debate is adjourned by the hon. the Minister of Social Services.

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the President of the Council.

MR. SIMMS:

Mr. Speaker, before moving the motion to adjourn, we will give the hon. the Minister of Social Services an opportunity now tonight to gather a bit more information which appears to be extremely interesting and exciting. We are all looking forward to it tomorrow.

I want to advise members, before moving the motion to adjourn, of the Estimates Committees. Of course, I have given you notice already. Tomorrow morning, the Resource Estimates Committee will deal with mines, I think, finish mines and then get into Forestry, I understand, around ten o'clock. Tomorrow night the Government Services Committee will deal with the estimates of the Department of Labour, and Wednesday night we have Environment and Lands, seven-thirty. No meeting on Wednesday morning.

The bit of information that I did not have for you on Friday as to the Thursday schedule, I now have. On Thursday morning the Government Services Committee will deal with the estimates of the Minister of Public Works and Services. Thursday night the Resource Estimates Committee will deal with the estimates of the

Department of Fisheries. I think that is everything. The Opposition House Leader has all that now. I am sure he can pass it on.

We have passed the estimates of the Department of Finance, the Department of Housing, and the Department of Career Development and Advanced Studies, incidentally, for the information of all hon. members.

Tomorrow, by the way, we will be carrying on with the budget debate, to give the Minister of Social Services an opportunity to continue.

AN HON. MEMBER:
(Inaudible).

MR. SIMMS:
Yes, we will be doing legislation on Thursday. We want to give hon. members an opportunity to break away from the Meech Lake debate. It is pretty heavy stuff for them and they need a couple of weeks to prepare.

MR. TULK:
Make up your mind and come back.

MR. SIMMS:
We are looking forward to it.

I move that the House adjourn, Mr. Speaker, until tomorrow, Tuesday, at three of the clock and that this House do now adjourn.

On motion the House at its rising adjourned until tomorrow, Tuesday, at 3:00 p.m.

CONTENTS

Monday, 18 April, 1988.

Statements by Ministers

France/Canada Boundary Dispute:

Premier Peckford.....	875
Mr. Wells.....	878
Mr. Fenwick.....	878

Lobster Fishery:

Mr. Rideout.....	879
Mr. W. Carter.....	882
Mr. Fenwick.....	883

Oral Questions

Education:

Sunday Express article: Repudiate or substantiate. Mr. Decker, Mr. Hearn.....	885
Demands proof of accusations. Mr. Decker, Mr. Hearn.....	885
Contents government's spending pattern, not unqualified teachers, cases the problem. Mr. Decker, Mr. Hearn.....	886
Fair access to education a government responsibility. Mr. Wells, Mr. Hearn.....	887
Claims 71 per cent of Centenary Scholarships won by 22 per cent of St. John's students. Mr. Wells, Mr. Hearn.....	888
School tax should be abolished. Mr. Wells, Mr. Hearn.....	890
Alleges minister wrong in assuming financing not the cause of rural students generally not doing well academically. Mr. Baker, Mr. Hearn.....	890
Demands apology for teachers. Mr. Baker, Mr. Hearn.....	892

Health:

Nursing shortage forcing the Health Sciences Centre to send ICU patients out of province. Mr. Fenwick, Dr. Collins.....	893
---	-----

**Presenting Reports by
Standing and Special Committees**

Public Utilities Board annual report:

Mr. Young.....895

Petitions

Opposition to bar near Northern Bay Sands:

Mr. Efford.....895

Mr. Long.....897

Mr. Peach.....898

Transportation, road conditions:

Mr. W. Carter.....899

Mr. Decker.....901

Mr. Doyle.....903

Orders of the Day

First Readings:

Bills Nos. 31, 29, and 36.....904

Motion 1, the Budget Debate:

Mr. Decker.....905

Mr. J. Carter.....913

Mr. Gullage.....916

Mr. Tobin, adjourns debate.....923

Adjournment Motion.....928