



Province of Newfoundland

FORTY - FIRST GENERAL ASSEMBLY
OF
NEWFOUNDLAND

Volume XLI

First Session

Number 46

VERBATIM REPORT
(Hansard)

Speaker: Honourable Thomas Lush

Monday

[Preliminary Transcript]

4 December 1989

The House met at 2:00 p.m.

MR. SPEAKER (Lush):
Order, please!

MR. WARREN:
Mr. Speaker.

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

MR. WARREN:
Mr. Speaker, during the past weekend a particular political party in our country elected its first woman as their leader. I would ask that this House send a congratulatory letter to Audrey McLaughlin, the Leader of the New Democratic Party of Canada.

SOME HON. MEMBERS:
Hear, hear!

MR. BAKER:
Mr. Speaker.

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

MR. BAKER:
Thank you, Mr. Speaker.

We on this side of the House would also like to ally ourselves with the comments of the hon. gentleman to send congratulations to Audrey McLaughlin. I am sure many of us looked with great interest at the convention over the weekend. She is the first woman to be elected Leader of a National Party in Canada. We would certainly like to congratulate her.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
On behalf of hon. Members I would like to welcome to the public

galleries fifty Level 11 students from the Queen Elizabeth High School, Foxtrap, who are studying democracy. They are accompanied by their teachers, Mr. Llyod Johnson and Mr. Heber Best.

SOME HON. MEMBERS:
Hear, hear!

Statements by Ministers

DR. KITCHEN:
Mr. Speaker.

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

DR. KITCHEN:
Mr. Speaker, I take this opportunity to present to the House a statement concerning an update of our budgetary projections for the year. And to table a document containing some of the figures.

This report and statement makes the first instalment of our plan to provide regular updates on our budgetary position. Through this reporting process, Government wishes to foster an increased public awareness of our economic and financial position, and an understanding of the fiscal policy directions we choose, and this current statement concerns the results from April to the end of September.

Mr. Speaker, growth in the Provincial economy has shown signs of slowing during the first half of 1989. We now expect real growth in gross domestic product to be 1.7 per cent compared to a budget projection of 2.8 per cent. Investment growth was forecast in the budget to be 8.1 per cent and has been revised to

3.0 per cent, largely due to the delay and signing of our final agreement to develop the Hibernia project. Weakness in the international newsprint markets during the first half of 1989 resulted in newsprint shipments and pulp wood production being 5 per cent and 22 per cent lower, respectively, than during the same period last year. Provincial fish landings are expected to be lower by 8.0 per cent in 1989 primarily due to groundfish quota reductions. We are expecting further reductions in the total allowable catch in 1990.

Retail trade is not expected to be as strong in 1989 as in previous years. Continued, albeit reduced, growth in the trade sector has resulted from increased employment, modest gains in personal income, and slight improvements in tourism. Total wages and salaries grew by 7.1 per cent (3.8 per cent in real terms once you take off the cost of living increases) during the first six months, despite major labour disputes during the first half of the year. The value of retail trade in August grew by 6.2 per cent (1.9 per cent in real terms) over the same month last year. From February 1989 to August 1989, the six month moving average of retail trade growth has fallen from 16.8 per cent to 8.9 per cent.

The September inflation rate was 4 per cent, down slightly from the 4.2 per cent level in August, which was the highest monthly inflation rate since November 1985. Employment has averaged 202 thousand during the first ten months of 1989, an improvement of 4.1 per cent over the same period last year. The corresponding average unemployment rate was 15.8 per cent compared with 17 per cent

last year. So, the unemployment rate is down.

Now, Mr. Speaker, concerning the fiscal position.

Despite having experienced six consecutive years of strong economic growth, Government continues to operate with an overall budgetary deficit.

The projected budgetary requirement for the 1989-90 fiscal year, however, has improved by \$57.3 million from budget, primarily due to a larger current account surplus.

The combined current and capital budgetary per capita deficit of \$445 for Newfoundland in 1989-90 is the second highest provincial per capita deficit. Eight provinces estimated budgetary deficits for this fiscal year, the highest being \$613 per capita in Alberta.

The budget estimated a current account surplus of \$5.3 million. Our latest projections indicate that this will increase to \$52 million. A substantial portion of this \$46.7 million increase in the current account surplus, however, results from recalculated federal transfers from prior years, not from the strength of economic activity in this Province. In fact, it is unlikely that the Province will continue to experience strong economic growth, especially with the problems associated with the fishery, weaknesses in the international newsprint markets, unemployment insurance reform and the proposed goods and service tax.

The current revenue forecast is \$33.1 million higher than budget. This improvement is due largely to

an increase in federal revenues of \$28.5 million, resulting from re-estimates of equalization and established programs financing entitlements, mainly for prior years - \$28.5 million. Provincial own source revenues are expected to increase by \$4.6 million over budget projections, due to a positive re-estimate of personal income tax, which will be offset somewhat by slightly lower revenues from mining tax and royalties. The retail sales tax forecast is unchanged from budget. As expected, the rate of growth in this revenue source has been declining in 1989.

The major uncertainty in the revenue forecast at midyear is the direction and magnitude of additional federal re-estimates of entitlements for the fiscal arrangement programs, which include personal and corporate income taxes. The revenue sources controlled by these programs represent approximately two-thirds of our total revenues.

Mr. Speaker, our net expenditures on current account are forecasted to improve by \$13.6 million from budget. This revision is based on a projected decrease of \$9.6 million in gross expenditures, combined with an increase in related revenues of \$4 million. A major factor in these projected savings has been a decrease in debt servicing costs, due to the Canadian dollar being stronger than anticipated.

Estimated net capital expenditures for the 1989-90 fiscal year have been revised down from the budget forecast of \$258.7 million to \$248.1 million. Savings of \$21.6 million in gross expenditures on capital account and a decrease of \$11 million in related revenues

are projected, due mainly to delays in starting a number of capital projects.

Non-budgetary transactions have been revised down by \$7.1 million from budget projections. Savings of \$6.8 million on debt redemption were realized through the repayment of some U.S. dollar debt and the refinancing of a Japanese yen loan at better exchange rates than anticipated in the budget.

Mr. Speaker, although short term interest rates have increased since March 1988, the Province's debt servicing costs, unlike those of the Federal Government, have not been greatly affected. The structure of the Province's debt is such that 97 percent is fixed rate debt and therefore not subject to the volatility of short term interest rates. The Government of Canada, in comparison, has only 46 percent of its outstanding debt in fixed rate instruments, leaving the balance exposed to the run up in short term interest rates caused by the current tight monetary policy.

The result of the Federal Government's reliance on short term debt has been substantial upward pressure on their deficit. Although the Province has protected its fiscal position from the direct impacts of short term interest rate volatility through a more conservative debt structure, we are suffering indirectly through the Federal Government's reaction to its debt crisis. Current federal fiscal and economic policies will continue to shift an increasing portion of this burden to the Provinces, particularly less affluent ones like Newfoundland. Federal deficit reduction measures will strongly influence the revenue and

expenditure policies of the Province in the years ahead.

In conclusion, Mr. Speaker, the projected budgetary requirement of the Government of Newfoundland and Labrador for the 1989-90 fiscal year has declined by \$57.3 million from that estimated in the Budget. Close to half of this improvement results from re-estimated federal transfers, much of which is for prior years. Despite these savings, Government must continue to be prudent and responsible in its revenue and expenditure policies. The Province continues to incur a significant overall budgetary deficit and carries a high level of public debt.

There are many indications that growth in the Newfoundland economy, like the Canadian and International economies, is slowing. Federal deficit reduction measures will continue to pressure our financial position. This Government, however, will continue to operate in a fiscally and economically responsible manner in response to these adversities.

Thank you, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

Mr. Speaker, thank you very much. All I can say is, I suppose the opening words would be Surprise! Surprise! Surprise! Mr. Speaker, it is really not much of a

performance to be proud of and, given the performance of this Government, who have seen fit not to undertake any new initiatives to offset this very damaging and drastically negative report, nobody is surprised at all to see and hear that this Province is a mess right now economically, particularly since the inception of this Government back in April.

Mr. Speaker, let me just run through the statement. They expect real growth in gross domestic product to be 1.7 per cent, even though only six or seven months ago, they projected themselves there would be a growth of 2.8 per cent - only six months ago.

Mr. Speaker, investment growth was forecast in the Minister's Budget, only six or seven months ago, to be 8.1 per cent. Now, that has been revised downwards to 3 per cent.

But, here is the interesting little point in the Minister's statement. Due to the delay in the signing of a final agreement to develop the Hibernia project, that has caused such a drastic and negative decline in their forecast, from 8.1 per cent down to 3 per cent. Now, is that not rather strange, when we have heard the Premier say publicly that the Hibernia project is probably really only equivalent to a fish plant?

AN HON. MEMBER:

A couple of fish plants.

MR. SIMMS:

Two fish plants. Is it not surprising that such an incident would cause the growth in projection to drop so dramatically, from 8.1 per cent

down to 3 per cent?

Mr. Speaker, we all know that there is a decline in newsprint shipments and pulpwood production. We have heard the results of that, of course, in the last few days, with respect to Grand Falls, but to see that their projection is now 5 per cent less for newsprint shipments, and pulp wood production 22 per cent less than they projected only six months ago, Mr. Speaker, that is what I find surprising. And it goes on to talk about fish landings expected to be lower now by 8 per cent.

Well, Mr. Speaker, I say to the Minister surely to heavens he and his colleagues around the Cabinet table back in June had some inclination, had some inkling, had some idea that this was going to be serious business, fish landings were going to be down. That could be seen back in June. I cannot understand why the Minister would have made so many dramatic errors in budget forecasting unless, of course, it was meant to once again hoodwink the people. That might very well be.

Now, Mr. Speaker, the most telling example of how our economy is performing since April, the most telling example is on the bottom of page 1, when it says 'Retail trade is not expected to be as strong in 1989 as in previous years' and for very good reason, Mr. Speaker. We have just about every day, I suppose, over the last four weeks, raised questions in this Legislature about the plight of people around this Province, particularly people in the fishing industry, and the fact that they had no money to spend, they have no income, trying to get this Government to undertake some

initiatives to help those people, and they have not seen fit to do so thus far.

So now we see what is really happening, Mr. Speaker, these people have no money to spend, therefore, your retail trade is not going to be nearly as strong as in years gone by. Salaries and wages have gone up a bit. Well, Mr. Speaker, a lot of that has been increase in salary and wages, I guess, in the public sector, without too much question. And he says, he sort of takes a bit of pride in that despite the fact that there were some labour disputes during the first half of the year. I will be interesting in seeing the Minister's report next year after the public sector unions, in particular teachers and other groups, go to the bargaining table. We will see exactly what happens then with respect to that particular item.

So, Mr. Speaker, the six month moving average of retail trade growth has fallen from 16 per cent down to 8 per cent, in half, from what the Minister budgeted only six months ago. Absolutely unbelievable.

With respect to the Province's fiscal position, Mr. Speaker, the projected budgetary requirements have improved now by \$57 million. Now I believe this is a statement to the end of September. So we have gone already two months beyond this, October and November, and it might be rather interesting to see if there are any changes or any adjustment required with respect to that. But obviously it is not surprising you have a surplus, as I have already said, because the Government is not taking any initiatives at all, and it is not spending any money to

help the people who need help. That has been one of the biggest negatives for this Government, Mr. Speaker. The surplus will increase, he projects, to \$52 million. But he points out, of course, finally, that results from recalculated Federal transfers from prior years. No doubt a result of good planning of previous Provincial Administrations I would suspect, Mr. Speaker, although I would not expect the Minister to make any comment about that.

So, Mr. Speaker, the revenue forecast and all the other little tidbits of information he has in his statement are all interesting to read, but there are bottom lines here. And the bottom line, I guess, is that because there is a net expenditure reduction on current account it is related to the Canadian dollar being stronger than anticipated, because net capital account expenditures are down, is due mainly to delays in starting a number of capital projects. So really, Mr. Speaker, the Government itself is saying in its own report, that they have not done anything to cause the positive effects that are outlined in this statement. And they certainly have done nothing to alleviate the negative effects that have been outlined in this budget.

And he talks about debt structure and fiscal balances near the end of the statement and cannot resist the opportunity to somehow blame it on the Federal Government. I figured he would have to throw that in there somewhere.

Well, Mr. Speaker, I suspect in reading this statement in only the moment or two we had before the House opened, that the Minister

will have to come back to this House sometime before the end of the year, perhaps at the end of the year, and indicate to us readjustments further downward, when the effect of all of the following things kick in, the fishery, the 5,000 or 6,000 jobs there; the full affects of the mill, the shutdown of the paper machine in Grand Falls 250 jobs; the fish plants that are going to be closing around this Province; the Baie Verte Mines now expecting some downtime, we understand; the reduction in the TAC and the labour problems that I mentioned, particularly in the public sector.

It would be interesting to see what the Minister has to report towards the latter part of next year. Mr. Speaker, this report clearly is a condemnation of this Government's performance in only six months in office, or whatever it is. Really what we have here is a Government presiding over an alarming economic and unemployment crisis, and we still wait for some initiatives to be shown from the Government to see how they are going to respond to these negative happenings.

SOME HON. MEMBERS:

Hear, hear!

Oral Questions

MR. WOODFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Humber Valley.

MR. WOODFORD

Mr. Speaker, my question is to the Minister responsible for Agriculture in the Province, and

from the outset I would like to make it quite clear, and it is no secret to Members in the House and to people in the Province in general, that I have always had a direct interest in the Agricultural industry in the Province and still have. My question to the Minister is based on media reports on the past weekend concerning price increases to the producers and processors in the Province by the Milk Marketing Board, and a statement by the Minister and I quote 'It is news to me'. Could the Minister inform the House whether this statement was true or false.

MR. SPEAKER:

The hon. the Minister of Forestry and Agriculture.

MR. FLIGHT:

I thank the hon. Member for his question, Mr. Speaker, and I will have to take a minute to explain the situation. Yes, the statement is true. It is not true, I was well aware that the Milk Marketing Board and the producers and the processors were chafing at the bit, I think is the word I used, asking for a price increase. As a matter of fact, I was informed early Friday morning that it was the Milk Marketing Board's intention to announce a price increase, that they would support a price increase and announce it on Friday. So that was not news to me. What was news to me, was that they proceeded to do what they did. Because, knowing that I was going to have in my hands later Friday the interim report of a task force on agriculture, I asked the Milk Marketing Board and, indeed, I had the opportunity to ask one of the representatives of the producers, if they would hold the announcement until I, as Minister, or my Cabinet

colleagues, had a chance to peruse and to look at the recommendations of the task force on agri-foods. So what came as a surprise to me and as news to me was the process, that the Milk Marketing Board went ahead with their announcement over the weekend, before I would have had a chance to have perused and to have studied and made a decision on the recommendations.

MR. SPEAKER:

The hon. the Member for Humber Valley.

MR. WOODFORD:

Mr. Speaker, I will leave it to the people in the industry, whether it is the Milk Marketing Board or the people involved in the industry in the Province, to debate on whether what the Minister said was right or wrong. My second question to the Minister it would be this: Based on the consultants report done by a reputable company in the Province, namely Touche Ross, and also by the task force that was set up to look into the agricultural industry in the Province, would the Minister tell the House whether both those, Touche Ross and the task force, recommended to the Minister that an increase would be applicable?

MR. SPEAKER:

The hon. the Minister of Forestry and Agriculture.

MR. FLIGHT:

Mr. Speaker, the Touche Ross report, as the Member will know recommended early this Summer - I must say that the Milk Marketing Board did not necessarily support it, but they wanted an eight and a half cents increase per litre of milk, and that I, at that time, was not prepared to approve an increase of that magnitude. The

industry approves the increase, obviously. It is the industry that wants the increase. In as far as what the task force has recommended, it is my intention to apprise my Cabinet. It is a very important issue for the people in this Province, it is a very important issue for the industry, and it is my intention to apprise the Cabinet of the recommendations of the task force before I elaborate as to what my position will or will not be with regard to the increase announced this weekend by the Milk Marketing Board.

MR. SPEAKER:

The hon. the Member for Humber Valley.

MR. WOODFORD:

One final supplementary, Mr. Speaker. The Minister knows quite well that the Marketing Boards have the right to increase the price of milk in this Province without the permission of the Minister; he can either support or reject that request. Based on some of the comments made by the Minister the past weekend and comments made by the Minister and the Premier over the last number of months with regard to Marketing Boards in the Province, would he now tell the House whether the Government is contemplating the abolition of Marketing Boards?

MR. SPEAKER:

The hon. the Minister of Agriculture.

MR. FLIGHT:

Mr. Speaker, the Member is right, of course, when he says it is the Milk Marketing Board which has the right to control the price of milk in this Province, for now.

But in the meantime, Mr. Speaker,

I will address myself fully to the price increase recommended by the Milk Marketing Board in a statement, hopefully tomorrow, after I have had a chance to apprise my Cabinet colleagues of the recommendations in the Task Force Report.

MR. SPEAKER:

The hon. the Member for Humber Valley.

MR. WOODFORD:

Mr. Speaker, the last part of my question was, whether or not the Government was contemplating the abolition of marketing boards.

MR. SPEAKER:

The hon. the Minister of Forestry and Agriculture.

MR. FLIGHT:

Anything the Government is contemplating, Mr. Speaker, or intends to do remains to be seen. I will address myself to the price increase as recommended by the Milk Marketing Board, hopefully tomorrow.

MR. HODDER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Port au Port.

MR. HODDER:

Mr. Speaker, I have a question for the Minister of Works, Services and Transportation.

I would like to ask the Minister what is happening with the Stephenville Airport issue? As he is aware, Air Canada has refused to go into a joint fare arrangement with First Air, and this effectively keeps First Air from using Stephenville, which was a profitable route, and thereby

denying the Southwest Coast of the Province of air and freight services. I know the Member for Stephenville has been working very hard on this issue, but it is hurting the economy of Western Newfoundland and I would like to ask the Minister, could he tell me what he sees as the resolution to this problem?

MR. SPEAKER:

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

MR. GILBERT:

Thank you, Mr. Speaker.

As the Member is aware, there have been ongoing discussions with Air Canada and the Department of Transport by the people of Stephenville, and it is one that my Department has been monitoring. We are following it on a day-to-day basis and if there is any progress, I will report it to the House.

MR. SPEAKER:

The hon. the Member for Port au Port.

MR. HODDER:

Mr. Speaker, this is one of four or five major issues that are facing the Government of the Province at the present time. It also impacts on Central Newfoundland, in that Stephenville is the alternate to Gander and, of course, if we do not have a jet service, then there is no requirement for the runways; there is a downgrading of the airport and snow clearing and that sort of thing.

I would like to ask the Minister, has he made any recent representation himself? What I mean by this is, has he requested the House of Commons

Transportation Committee to look at the situation? Has he met with the Federal Minister, the hon. Benoit Bouchard on this issue? I know he has met with the Minister, but has he met with him on this issue?

MR. SPEAKER:

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

MR. GILBERT:

I am sure the Member is aware that we have written the Federal Government and asked them to become involved. But since it was the Federal Government of his Party that deregulated the airlines, it means that really they have washed their hands of it and said that it is a decision that has to be made between Air Canada and Stephenville. But we are monitoring the situation and I will keep the House apprised as I am aware.

MR. SPEAKER:

The hon. the Member for Port au Port.

MR. HODDER:

It seems to me, Mr. Speaker, from the answers of the Minister, that he is relying on the Stephenville people to do it.

I asked the Minister in my last question whether he met with the hon. Benoit Bouchard, whether he had spoken to his counterparts on the Transportation Committee. Well, I will ask the Minister another question. The Premier promised more than two months to convene a meeting between Air Canada and First Air, and I am asking if that has been done. If not, when can we expect that meeting? Time is flying, and the issue is there and nothing is happening. All I am trying to

ask the Government is to please do something. Start using whatever political mussel you have, because in another six months the issue will be dead.

MR. SPEAKER:

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

MR. GILBERT:

I am sure, Mr. Speaker, that if the Premier arranged this meeting or said he was going to arrange this meeting, it will be. But I have no record that he did. Meanwhile, this is, as I am sure the Member is aware, a Federal responsibility. The people of Stephenville know well where we are as a Government and what we have done in support of the continuation of service to Stephenville.

MR. SPEAKER:

The hon. the Member for Port au Port.

MR. HODDER:

Mr. Speaker, just another quick question.

I would just like to ask the Premier has the Premier had that meeting with Air Canada and First Air? Is he intending to do this? Have there been any arrangements made? Can he tell us when he expects to have the meeting?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

There were never any arrangements to arrange a meeting between Air Canada and First Air. What was arranged was to have a meeting with Air Canada officials and representatives of the town of Stephenville, and other representatives from the area,

including the Member for Stephenville.

It was unfortunate they could not make it at a time when I could be there, so the meeting was held in Montreal. I spoke to them by long distance telephone at the meeting, expressed my views and opinions to them, and told them of my dissatisfaction with the manner in which Air Canada had handled the matter and asked them to pursue the discussions with the other people present at the meeting. They did that. We are not satisfied with the results that came out of it and we are now arranging a further meeting, when the President of Air Canada will come to St. John's to meet with the Minister of Transportation and myself with respect to the matter.

MR. HEARN:

Mr. Speaker.

MR. SPEAKER:

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

MR. HEARN:

Thank you, Mr. Speaker.

My question is to the Minister of Education. Recently, the students at some of the private institutions had their grants held from the Student Aid Division for awhile, despite the fact that they had bills to pay and rent to pay, etc. I wonder if the Minister would tell us if this problem has now been straightened out?

MR. SPEAKER:

The hon. the Minister of Education.

DR. WARREN:

Mr. Speaker, yes, a couple of weeks ago we had a notice about some problems that had arisen at some of the private colleges. I

think they resulted from a change in the semesters in these colleges, and the programming. It is my understanding that most of the cheques have been released and the problem has been rectified, or is in the process of being rectified.

MR. SPEAKER:

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

MR. HEARN:

Thank you, Mr. Speaker.

I thank the Minister for setting us straight on that. I would ask him, however, is it factual that the Department is contemplating changes to the Student Aid regulations? if so, would the private institutions, as well as students and the people generally, have some input into regulations which affect the students who attend the private institutions?

MR. SPEAKER:

The hon. the Minister of Education.

DR. WARREN:

Mr. Speaker, we are in the process of reviewing a committee report from the Advisory Committee on Student Aid. A representative of the private institutions was on that committee, and they will be consulted in the process of changing the Student Aid Program. The Student Aid Program is primarily a federal program, but there are some changes that we can make. We are in the process of reviewing that report and considering all the possibilities at the present time.

MR. SPEAKER:

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

MR. HEARN:

Will the Minister tell us, then, if decisions have not already been made and if private institutions have not been told that the grant structure will be changed this coming term, in fact, and that the private institutions will be treated differently from the Government-run institutions?

Also, while he is doing that will he tell us whether it is factual that some of the students are so concerned about this that they are contemplating legal action for the infringement on their rights?

MR. SPEAKER:

The hon. the Minister of Education.

DR. WARREN:

Mr. Speaker, I will provide some additional background in answer to my hon. friend's question. The problem that he mentioned arose as a result of some restructuring in the programming in one of the private institutions. At the present time, Memorial is the only institution that is on the trimester system and the students, therefore, get three lots of grants. We found out recently that two private institutions had changed their programming so that some students were getting three grants instead of two. I might say that nurses and other institutions in the Province can get two grants per year, not three as Memorial students are eligible for. We had a problem with two institutions. I think it was Compu College and Keyin Tech who were the two who had changed their program, and you had on the same program some students being eligible for two grants and others for three. What we have done, Mr. Speaker, is try to guarantee those who had the understanding that they would get three this year get the three, but before we could change the whole program, we need

to review the total Student Assistance Program and that is what we are doing at the present time.

MR. DOYLE:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for Harbour Main.

MR. DOYLE:
Mr. Speaker, I have a question for the Minister of Employment and Labour Relations. Now, that the Minister of Employment is back from Ottawa and has her meetings with the Federal Minister of Employment (Barbara McDougall), we are hearing of possible changes to the Fisheries Response Program. Will the Minister tell us what these changes are specifically and what communities might be affected?

MR. SPEAKER:
The hon. the Minister of Employment and Labour Relations.

MS COWAN:
Mr. Speaker, to that question, first of all the hon. Barbara McDougall said there would be no changes to the Fisheries Response Program. However, she did indicate that she had some concern that some of the local offices were monitoring very stringently, too stringently perhaps, the regulations and she herself was going to set up a group to oversee the offices and make sure that that was not happening. She also suggested that a community should be taking more advantage of the special case provision that is set down within the response regulations.

MR. SPEAKER:
The hon. the Member for Harbour

Main.

MR. DOYLE:
I am forced to repeat the question I have been asking now for the last couple of weeks. Now that the Minister has it confirmed that the Federal Government is not making any changes to the Fisheries Response Program and the Unemployment Insurance Program generally, what plans does the Minister now have? And what new initiatives will the Minister now be bringing forward from the Provincial Government to address the problems the unemployed have in the Province who are not going to be able to qualify for unemployment insurance, now that she knows that the Federal Government does not have any plans?

MR. SPEAKER:
The hon. the Minister for Employment and Labour Relations.

MS COWAN:
I do not think the gentleman hears very well, Mr. Speaker. I did indeed say that the Federal Government has plans, and the hon. Ms McDougall is monitoring and watching carefully. In the meantime, people who are having problems are part of the general unemployed of this Province who we are looking at from a number of Departments in order to help alleviate their plight.

MR. SPEAKER:
The hon. the Member for Harbour Main.

MR. DOYLE:
A supplementary, Mr. Speaker. Okay, the Minister has changed her mind, she is saying that there might be some changes now brought in. I would like to make the Minister aware that there is another group out there, another

group that seems to be receiving very little attention and who are equally if not more desperate than the people whom we have been addressing our concerns to of late, and they are the people who are receiving very, very low benefits, less than \$60 a week. Some people are receiving \$50 a week on unemployment insurance, and there is not any Section 25 money left, which is the top-up money, to bring the unemployment insurance benefits up to a more acceptable level. Is the Minister aware of that? And did she make the Federal Minister aware of it, and does she have any plans for those people who are receiving less than starvation UI?

MR. SPEAKER:
The hon. the Minister of Employment and Labour Relations.

MS COWAN:
That was not the purpose of my trip to Ottawa, Mr. Speaker. I will, however, take the matter under advisement and see, indeed, if I should follow it up with Barbara McDougall.

MR. WARREN:
Mr. Speaker.

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

MR. WARREN:
My question is also to the Minister of Employment and Labour Relations. During the past weekend, Canadian Airlines announced that they would be laying off some 1,900 employees across Canada. Most of these layoffs will be taking place in Vancouver, Calgary, Edmonton, Toronto, and Montreal. Would the Minister advise if her or her officials have had any discussions

with Canadian Airlines pertaining to layoffs within the Newfoundland region?

MR. SPEAKER:
The hon. the Minister of Employment and Labour Relations.

MS COWAN:
We have not as yet, Mr. Speaker. We are, however, in the process of designating someone in the Department who will investigate this type of layoff and any others that should be in the future.

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

MR. WARREN:
Thank you very much, Mr. Speaker.

My supplementary would be to the Minister of Works, Services and Transportation. In view of the fact that Canadian Airlines operates an interprovincial service, that is St. John's, Gander, Deer Lake, Happy Valley Goose Bay and Wabush with a 737 aircraft, would the Minister advise if his Department is aware of plans by Canadian Airlines to downgrade or discontinue the service of the 737 aircraft on its interprovincial service, in particular its flights to Happy Valley - Goose Bay and Wabush?

MR. SPEAKER:
The hon. the Minister of Works, Services and Transportation.

MR. GILBERT:
I am not aware officially, Mr. Speaker, however, I have heard rumors that there some consideration is being given to the removing of the jet service, and I have my officials checking with Canadian Airlines to see if this is in fact so.

MR. SPEAKER:

The hon. the Member for Torngat Mountains.

MR. WARREN:

With the answers I received from both of the Ministers, I would like to ask the Premier the final supplementary. With the answers that both Ministers gave, Mr. Premier, apparently both of them do not know what is going on as it pertains to Canadian Airlines. Would you kindly instruct your two Ministers to contact Canadian Airlines immediately and have a meeting with them to determine what layoffs will take place, in particular with respect to the disruption of services to the people in Labrador?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

No, Mr. Speaker, I will not. I am satisfied that both Ministers have the matters fully in hand. I know from the hon. Member's past performance in this House and the lack of foundation in his past allegations, that I will not jump immediately he puts forward some rumour. It may or may not be well-founded, but his past performance leads me to a position where I cannot have any confidence in any allegation that he makes.

MR. WARREN:

Mr. Speaker, a final supplementary to the Premier.

MR. SPEAKER:

The hon. the Member for Torngat Mountains.

MR. WARREN:

In view of the fact that there could be anywhere from twenty-five to thirty employees laid off from Canadian Airlines in the very near

future, would the Premier, if he has as much confidence in his Ministers as he just said, make sure that they will immediately have a meeting with Canadian Airlines to find out for sure if there are going to be twenty-one, twenty-five, thirty or maybe more employees laid off in this Province?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

It seems, Mr. Speaker, that the hon. Member has had his question prepared and he is going to ask it anyway, notwithstanding the answers. Both Ministers gave answers indicating they were doing an assessment of the situation. Now, I do not see there is any necessity for me to make sure they do it. I have every confidence they will.

MS VERGE:

Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Humber East.

MS VERGE:

Thank you, Mr. Speaker.

I have, for the Minister of Justice, a question about some of the problems resulting from the Government's underfunding of Legal Aid. These are problems I warned the Minister of in the House last spring.

Mr. Speaker, in recent weeks, women in different parts of our Province who are entitled to maintenance and child support, have not been able to get the necessary court orders because, number one, judges are insisting that applicants for maintenance

and child support be represented by lawyers, number two, these women cannot afford to pay their own legal fees, and, number three, because the Legal Aid Commission is refusing to provide legal representation for them because its budget does not allow them to provide these services.

Will the Minister of Justice undertake to increase the budget of the Legal Aid Commission so that legal aid can be extended immediately to all people who need to go to court for maintenance and child support?

MR. SPEAKER:

The hon. the Minister of Justice.

MR. DICKS:

Thank you, Mr. Speaker.

In reply to the latter part of the Member's question, I cannot give any undertaking to the House at this time that we will necessarily provide legal service for every person who wants to go to court in a maintenance action. However, in respect of her general question regarding Legal Aid, I have difficulty accepting that Legal Aid is necessarily the best delivery mechanism to ensure that support orders are actually obtained and enforced in the Province. In fact, my department has been working with Social Services to clarify and identify other solutions to the problem social workers and their clients have in getting orders from the Provincial Court.

I would disagree with her solely on the point that Legal Aid is necessarily the best mechanism for doing it. As she is aware, we have substantially increased the Legal Aid budget during the past fiscal year. If my memory serves

me correctly, it was something in the order of 13 to 16 per cent, and I point out that under her Administration it went over budget by something of the order of 13 per cent. So we are hoping to be able to provide good services, and we have substantially increased the budget to take into account the demand. Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Humber East.

MS VERGE:

Thank you, Mr. Speaker.

Since women who qualify for maintenance and child support, who have not been able to go to court to get the necessary orders have had to resort to social assistance to survive, will the Minister delay no longer his consideration of options for allowing them to go to court to get the necessary orders? I would remind the Minister that the Department of Justice opened a Support Orders Enforcement Agency on May 1, it was my last official act as Minister of Justice, and part of the planning for that new service was a substantial increase in the Legal Aid Budget so that legal services would be available to everyone entitled to maintenance. That budget increase was not forthcoming. My question again is, will the Minister act immediately to make it possible for every one entitled to maintenance and child support, who cannot afford their own legal services, to get those services one way or the other so that they can get the necessary court orders?

MR. SPEAKER:

The hon. the Minister of Justice.

MR. DICKS:

In response, Mr. Speaker, I would like to point out several things. One is that there is no legal requirement that any person going to court, be it male or female, to obtain a maintenance order necessarily has to be represented by Legal Counsel. As I understand it, where the problem arises is that when the opposite party arrives with a lawyer, people then feel they need to have a lawyer present. Obviously, that may create a difficulty in some circumstances, but there are other ways around the problem. I am not sure that increasing the Legal Aid budget unilaterally is a means of doing it. I might point out to the hon. Member, as well, that the difficulty we have doing it through Legal Aid is that the cost of providing Criminal Legal Aid is 75/25 cost split in favour of the Province - the Federal Government picks up 75 per cent of it. The difficulty we have with providing this mechanism through the Legal Aid family end of it, is that it only provides 50 per cent from the Federal Government. So part of the solution might be if the hon. Member were to approach her Conservative colleagues in Ottawa and ask them to increase the amount which they fund to family Legal Aid so as to make more money available.

What I would like to say in conclusion, Mr. Speaker, is that I do not think additional funding to Legal Aid is necessarily going to solve all the problems. It is part of the solution, but, I can tell her frankly, I do not think that is all of it. And, as I indicated to her earlier in the spring, when this matter came up, we are investigating other possibilities with respect to it, such as amending the legislation

to allow social workers to represent people who feel they have a need to do so. Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. the Member for Humber East.

MS VERGE:

Thank you, Mr. Speaker.

My final supplementary is again to the Minister of Justice. Does the Minister of Justice recognize that there is a problem, that judges are insisting that maintenance and child support applicants be represented by lawyers, that some of these applicants cannot afford to hire their own lawyers? Some of these applicants are getting turned away by the Legal Aid Commission and, therefore, are having to resort to social assistance unnecessarily. Does the Minister admit that there is a problem?

MR. SPEAKER:

The hon. the Minister of Justice.

MR. DICKS:

Yes, Mr. Speaker, in general terms there is a difficulty. I take it that some judges, from my knowledge, which has been passed on to me as much as I am sure the hon. Member acquired hers, some judges insist that in these matters - shall I say not insist, but they prefer that the people be represented by lawyers. There is no legislative requirement, nor is it a legal requirement that they in fact be so represented. So, in some cases, there may be instances that the Member alleges.

However, Mr. Speaker, I do not think that is necessarily defeating people in obtaining maintenance orders. There is

something of a delay. I think by and large the problem that has been identified is with respect to maintenance orders that have been obtained and not been enforced. And I commend the hon. Member for the initiative that was adopted and enacted last spring, where we have an enforcement agency, and that has reduced the delinquency rate from something in the order of 85 per cent down to something below 50 per cent. So it seems to me that by and large we need to place the emphasis on collection as much and perhaps more than on the actual obtaining of orders. No doubt there is some degree of a problem, but, as I say, I do not think it is so much at the end of obtaining the order as it is enforcing it. And to that extent the system that has been put in place seems to be working fairly well.

MR. WINSOR:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for Fogo, one minute.

MR. WINSOR:
Thank you, Mr. Speaker.

My question is to the Minister of Fisheries (Mr. Carter). The Minister is quite aware of the disastrous fishery in the Fogo District, and to compound an already disastrous situation, a fish plant operator in Campbellton, who purchased a considerable amount of salt fish from the Fogo Island fishermen, several thousand dollars worth, has not paid them. Can the Minister tell this House if his officials have been approached by the operator for financial assistance? And does the Government have any guaranteed

loans with this outfit?

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

MR. W. CARTER:
Mr. Speaker, I am not aware if there has been any approach made by the gentleman in question. I shall certainly find out and maybe report back to the House tomorrow.

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

MR. WINSOR:
A supplementary, Mr. Speaker.

Will the Minister, on behalf of the fishermen of the Northeast Coast, have his officials conduct an investigation into the financial affairs of this company and advise the fishermen of Fogo Island how to proceed to collect?

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

MR. W. CARTER:
Mr. Speaker, that is hardly the role of Government and the Provincial Department of Fisheries, but, again, I will take the matter under advisement and report back.

MR. SPEAKER:
Question Period has expired.

Before moving on to the routine Orders of the Day I would like to welcome to the Galleries on behalf of hon. Members fourteen Level I students from La Rochelle Central High School, Brent Cove, La Scie, accompanied by their teachers Mr. Jim Martin and Mr. Mike Dwyer.

Also on behalf of hon. Members I would like to welcome to the Speaker's Gallery today the Mayor of Glovertown, Mr. Ackerman.

SOME HON. MEMBERS:

Hear, hear!

Notices of Motion

MR. SPEAKER:

The hon. the Minister of Justice.

MR. DICKS:

Thank you, Mr. Speaker.

I give notice that I will on tomorrow ask leave to introduce a Bill entitled, "An Act To Revise The Law Respecting Securities."

Orders of the Day

MR. BAKER:

Order 11, Mr. Speaker.

Motion, second reading of a Bill "An Act Respecting The Economic Recovery Commission". (Bill No. 40.)

MR. SIMMS:

A point of order, Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader on a point of order.

MR. SIMMS:

Mr. Speaker, a very serious situation is arising here today. We gave due notice to the Government that we would be raising this matter because of the seriousness of the situation, because of this Government's obvious lack of respect for decisions of this House, and certainly obvious lack of respect for agreements that have been made by both sides.

Mr. Speaker, if you will allow me I have some quotations for you

from Beauchesne, followed by a reasonable argument with respect to a point of order.

Mr. Speaker if you look at Beauchesne, page 96, the 6th Edition, paragraph 317 (1) it says: 'Points of order are raised with the view of calling attention to any departure from the Standing Orders or the customary modes of proceeding in debate or in the conduct of legislative business and may be raised at virtually any time by any Member, whether that Member has spoken or not.'

Paragraph 319, on page 97, the top part of the paragraph also says: 'A Member is entitled, even bound, to bring to the Speaker's immediate notice any instance of a breach of order.' A breach of order being a breach of order in the normal routine proceedings, or the normal accepted practices, and Mr. Speaker it says: 'It should be done as soon as an irregularity is perceived in the proceedings,' and it is obvious that we have reached that point in time.

Now, Mr. Speaker, the points I want to make are these. It appears to me that the Government has breached its own motion. There is a motion that is on the record in this Legislature, and that is the key point that I would like your Honour to keep in mind, notwithstanding other bits of information. For example, the letter that the Government House Leader wrote to me on the 13th of October, which clearly indicates that legislation will be sent to Legislative Review Committees for discussion. But the telling part, Mr. Speaker, is from Hansard page 1244, June 30, when we made this agreement. But we even went beyond making an agreement, and that is the breach of order.

From Hansard the Government House Leader says: 'These Legislative Review Committees are an attempt by the government to make the legislative process more meaningful, first of all to Members of the House but, more importantly, to the general public.' He goes on to say: 'There are many pieces of legislation that go through this House that are of major importance' and I suspect this is one. I presume this is one: 'to the various groups in the Province, and this', that is the Review Committees, 'will provide an opportunity for legislation to be examined prior to discussions in the House and so that' and he took a little dig at us, Mr. Speaker, 'We never get into the situation where, all of a sudden, because of time constraints or something else, major pieces of legislation get rushed through this House, as has happened in the past, without adequate discussion both in the House and in the general public.'

Now, Mr. Speaker, those are his words, the Government House Leader speaking on behalf of the Government. He says he has had discussions with the Opposition and asked for permission of the House. I spoke on behalf of the Opposition. I agreed with it all, I even asked to make sure that the Committees had the power to travel, if necessary, to hold public hearings, and so on.

Mr. Speaker, here is the most telling point: Hansard, Page 1246, the bottom of the page.

MR. SPEAKER:

Would the hon. Member repeat that, please.

MR. SIMMS:

Hansard, Mr. Speaker, Page 1246. This is where the breach of order really is most telling. In Hansard, Page 1246, after having this discussion on the agreement, the Government House Leader says, 'I was later going to make a motion with regard to the referral of legislation as it becomes available,' and, 'I now do that, Your Honour. I move that as legislation becomes available it be referred to the appropriate committee.' The Speaker says, 'All in agreement, Aye, contrary, Nay. Carried.'

Now, Mr. Speaker, we have a resolution of this legislature, which says that legislation, when it becomes available, is referred to the appropriate committee. And his words earlier on, of course, clearly imply, before debate in the House. So, Mr. Speaker, we have an obvious breach of order, because the ultimate reference that you use for parliamentary procedure is your own precedence, your own rulings, your own legislature's motions, then, you use your Standing Orders, then you use Beauchesne, in that order. And we have a motion and a resolution standing in this House, on the record, which is put by the Government House Leader, and he is now trying to circumvent what is already a rule of the House, passed by the legislature.

So, I think, Mr. Speaker, this is a serious matter and I raise it for obviously serious reasons. We sincerely believe that if the Government wants important pieces of legislation - and we assume this is - it is probably the only piece of important legislation we have seen so far, because the committees have had nothing of any consequence referred to them. And, if it is the intent of the

Government to follow its word, and not only keep its word, but to follow the laws of the Parliament here, which this legislature has passed, we have no choice, Mr. Speaker, but to argue to Your Honour that Your Honour would have to rule this is a breach of order and the Government should refer that legislation to the appropriate Legislative Review Committee.

SOME HON. MEMBERS:

Hear, hear!

MR. BAKER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Speaker.

I do not know if there is any need to go back over a number of points I have already made with regard to this exact same point that the Member has brought up a number of times in this House.

The Legislative Review Committees are, at this point, not formal structures, formal creatures of the House. They are in the process of evolution and, I hope, providing the obstructionist tactics of the Opposition do not continue too much, will eventually become creatures of the House under our Standing Orders. Right now, they do not come under our Standing Orders.

We have a very simple process in our Standing Orders. First of all, there is Notice of Motion given, then the following day, there is first reading given to those notices. The next day there can be second reading and, when

second reading is finished, the next day, referred to Committee of the Whole. After Committee of the Whole finishes, the next day it can be referred back to the House for third reading. This is the procedure, Mr. Speaker, that we are going through. On Government days, the Government calls the order of business, and that is, very simply, what we have done today. It is all in agreement with all the rules of procedure, the Standing Orders of this House, as well as Beauchesne, Mr. Speaker.

I find it interesting that the Opposition House Leader would make a big issue of this point. He, for some reason, perhaps to get himself a little bit of press, or something, has decided he has to try to hang tough on this. In actual fact, the forty or fifty pieces of legislation that we have prepared in this first sitting - and I have always indicated, Mr. Speaker, that there are going to be cases when we will not go through that committee structure, just as there are cases in emergency legislation in all Houses, where legislation is sometimes put through three readings the same day, and so on, with agreement. This is one of those cases where a piece of legislation simply cannot wait for that process because the process has not been in place, Mr. Speaker, long enough. If the process of committees, Mr. Speaker, had been in place for a year, then I would have been reluctant to do this, and it would have involved a little more soul searching. But the process has not been in place long enough. I do not think the Opposition House Leader is suggesting that we should then stop everything and close the House down until the committees have had a chance to

deal with all legislation, that is not our way of doing it. We are bringing this legislation to the House where it belongs, and the legislation was distributed in lots of time for Members Opposite to peruse it and read it and study it, which is a departure from practice over the last four years that I have seen, Mr. Speaker, in a lot of cases. We have given them ample opportunity to read the legislation. We did not distributed it on the same day that we called second reading. We have given them all kinds of opportunities to prepare their speeches, and they also, now, have lots of time under the rules of the House to debate the process. And hopefully, because of the coverage that will result, the people of the Province will know what is going on in this particular piece of legislation. We are not trying to spring this at the last minute on an unwary Opposition or on an unwary Province.

So, Mr. Speaker, from the point of view of the point of order, I am going on too long and I am not even dealing, and perhaps should have shut-up a few minutes ago. But, Mr. Speaker, I would simply like to go back to my original point that this has nothing to do with the standing orders of the House, it has nothing to do with Beauchesne, we are following the procedures exactly as they are outlined in those documents and other places.

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

I do not want to belabour this

either because I suspect - well, I should not suspect. I do not know what your Honor will do with it, but I have quoted from Hansard, and if your Honor wishes I will table this so your Honor can have quick access to it if you wish to have a look at it. But the point here that the Government House Leader has totally missed in his argument - I am not talking about the process or anything else, I have already gone through all of that and explained. The first priority for parliamentary reference is our own rules, not the standing orders, the precedents. And the precedent in this incident, Mr. Speaker, is a motion that has been passed by this legislature. And unanimously passed by this legislature I might add, which clearly indicates legislation as it becomes available will be referred to the appropriate committee, and earlier on it obviously is clear before debate takes place. Now that is a motion that stands on the record. So, the Government House Leader can argue all he wants and try to be wishy washy and waste time, because the reason he wastes time is because he has no strong argument against this. We have a motion on our records, Mr. Speaker, and I therefore strongly urge your Honor to have a look at this matter. It is a very important matter, and a serious matter, and I am sure when you look at it and you review it, you will clearly have no choice but to order the Government to refer the legislation to the appropriate committee as per the motion that stands on our record.

MR. SPEAKER:

We will recess the House for a couple of moments to give the Chair time to look at the document referred to.

Recess

MR. SPEAKER:

Order, please!

With respect to the point of order raised by the hon. the Opposition House Leader there are, first of all, a couple of points that the Chair would like to make in terms of describing to hon. Members how the business of the House is conducted. First of all we are governed by our own Standing Orders, secondly by precedent, and thirdly by Beauchesne. That is how we operate in this House.

Now, I must say what we have here, with respect to Legislation going to Committee, is that sometime ago, some while ago, the Government agreed that before a Bill was to come to the House, it would go to a Committee. My understanding is that this was experimental.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Would hon. Members allow the Chair, please, to carry on with the explanation?

There was an agreement that Legislation would be sent to a Committee. This was set up on an experimental basis. The idea was set up on an experimental basis, and sometime while talking about the matter and the Government's intention of doing this, seems to me a matter of goodwill. The Government House Leader made a motion. All he did was make a motion, to formalize the goodwill of the Government to send the Legislation to Committee. Now, first of all the motion was improperly presented because,

again pointing out, I think, it was only a goodwill thing by the Government House Leader to do this. That was his intention. The motion was improperly presented because there was no motion given of the motion. There was no previous motion given of it, as ought to be for a Government motion. There ought to be notice given, so the motion was just made and -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

If hon. Members would please let His Honour carry on, I do not need any interruptions. I have a decision made, and I want to carry it through.

AN HON. MEMBER:

That side as well?

MR. SPEAKER:

Yes, when they come from over there I will speak to them as well. The Government made a Motion and now they have decided to withdraw the agreement as presented by that particular Motion. The House has no choice, once the Government withdraws its agreement from this particular area, but to revert to our Standing Orders, and our Standing Orders do not have any procedure for this. So to make it clear again, the Government did not have to do it, they did not have to do it because this procedure was just by agreement. But the Government House Leader, I think, decided to formalize it. There has been no informalizing the agreement, if hon. Members will look. First of all I have said that the motion was improperly presented, number two, there was no indication that this was to be an amendment to the Standing Orders. It was just a

motion made, and now the Government have decided that they are going to do otherwise, so, as the Chair has ruled in this particular case, clearly, the Government have, if you will, breached the agreement that they made. Now the House has no choice but to revert to its Standing Orders, and in our Standing Orders there is no provision for sending legislation to the committee, so we just have to carry on as we did previously, as the Government House Leader said, they will send things to committee when they can, but the Chair's interpretation is that there is no obligation at this point to send things to committee and the House can now only revert to its Standing Orders and carry on with the Bill.

The hon. the Premier.

Mr. Speaker, I rise to move second reading of the -

MR. SPEAKER:

A point of privilege, the hon. the Member for Humber East.

MS VERGE:

Thank you, Mr. Speaker. I wish to raise a question of privilege arising out of the Government's breach of the Resolution of June 30, 1989, in attempting to present Bill 40: "An Act Respecting The Economic Recovery Commission."

Mr. Speaker, I have read thoroughly the references in Beauchesne's 6th Edition on privilege, and I realise that your Honour's function is to consider the submission I am making now and to decide whether it constitutes, on the face of it, a case of breach of privilege and, therefore, whether Your Honour will allow me to make a motion on it, a motion which is debatable. Mr. Speaker, I refer to

Beauchesne's 6th Edition, paragraph 27, which is on page 12, which points out that 'A question of privilege ought rarely to come up in the House of Assembly, because it is a gravely serious matter.' I am cognizant of that. This is the first time in my ten and a half years as a Member of this Assembly that I have ever stood on a question of privilege. In doing so today, I assure your Honour that I consider my submission to be most serious. Mr. Speaker, Beauchesne discusses what constitutes privilege, and in paragraph 33 on page 14 makes the point that, the rules or law of privilege are found mainly in resolutions of the Parliament, or in this case, of the House of Assembly. Mr. Speaker, I submit No. 1. that the Resolution of this House of Assembly made on June 30, 1989, which has been quoted by my colleague, the Opposition House Leader, is a Resolution of the Assembly, which constitutes part of our laws or rules of privilege. Mr. Speaker, I submit further that in attempting to present Bill No. 40 without having referred the Bill to the appropriate Legislative Review Committee, the Government has violated the resolution of June 30, 1989. And No. 3, therefore, that the Government has breached one of the laws of privilege of this House of Assembly.

Mr. Speaker, the resolution of June 30, which my colleague referred to and quoted resulted from a motion made by the Government House Leader, and I quote 'I will now do that, Your Honour, and move that as legislation becomes available it be referred to the appropriate Committee.'

AN HON. MEMBER:

That is right.

MS VERGE:

That motion was passed by Members on both sides of this House. It was passed unanimously. And clearly it constitutes a resolution of this House of Assembly. It is more than a goodwill agreement. It is a resolution of the Assembly. If the resolution is to be changed, then surely there would have to be another resolution of this Assembly. It cannot be changed merely by the withdrawal of goodwill of the Government House Leader or the Premier. It cannot be amended merely by the say-so of any one Member of the Government side.

Mr. Speaker, a key phrase of the resolution is that as legislation becomes available it will be referred to the appropriate committee. Now we have to ask when was Bill No. 30 available? Well we know it was available on Friday, December 1, because that is when it was tabled in this House. Mr. Speaker, is that the first time the Bill was ready? It is hard to imagine that the Bill was not ready before that when one considers the fact that it was on June 5, 1989, some six months prior, that the Premier rose in this House and announced the Government's appointments to the Economic Recovery Commission, when one realizes, Mr. Speaker, that the members of the Commission, Wayne Humphries and Dr. Doug House have been carrying out work ostensibly on behalf of the Commission for the past several months. Mr. Speaker, Dr. House and Mr. Humphries have been travelling around the Province, hither and yon, visiting communities on the Northern Peninsula, on the West Coast, in

Central Newfoundland, on the East Coast, purporting to act as Members of the Economic Recovery Commission.

Mr. Speaker, if the Bill proposing legislation to establish formally the Commission, and to give it a legal mandate was available just on December 1, six months after the members of the Commission were appointed then, Mr. Speaker, the Government must be incompetent at management. Either that, Mr. Speaker, or the Government did have the bill prepared considerably before December 1, but withheld it deliberately from this Assembly to minimize the time for Members to debate it, and to subvert the intention of the Legislative Review Committees, and to violate the resolution of this House made on June 30, 1989.

Mr. Speaker, in summary I submit for Your Honour's consideration the proposition that there is a prime facie case of Government breaching the privileges of this House. That the privileged breached is a resolution. That the resolution breached is the one made by the House of Assembly and passed unanimously on June 30, 1989 resulting from a motion made by the Government House Leader 'I will now do that, Your Honour, and move that as legislation becomes available it be referred to the appropriate committee.'

Thank you, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, in addressing that point of privilege. When we

formed the Government we were painfully aware of the manner in which the Government had performed over the previous seventeen years and the constant effort to thwart the Opposition in the proper discharge of its duties in every way they possibly could. They had no regard for Parliamentary Government.

SOME HON. MEMBERS:

Oh, oh!

PREMIER WELLS:

All they did - as you see the mouths doing there now, Mr. Speaker, all they did was sit here, make noise, laugh, and do anything they could do to thwart the proper functioning of a Parliamentary system, this they did as a Government.

Now, Mr. Speaker, we could have come across this side of the House, formed the Government, and did exactly the same thing, except we have a greater concern for the public of this Province, so, we, not the other side, we, Mr. Speaker, after we became Government, initiated two changes, one of which, instead of putting down -

MR. TOBIN:

(Inaudible).

PREMIER WELLS:

Mr. Speaker, I ask for order and quiet, please.

MR. SPEAKER:

Order, please!

I remind the hon. the Member for Burin - Placentia West (Mr. Tobin) that a Member ought not to be speaking from any chair but his own. In any event the Premier has asked for order and it is a time honoured tradition that when a

Member asks for silence that he be given that silence.

The hon. the Premier.

PREMIER WELLS:

Thank you, Mr. Speaker.

We made two changes, Mr. Speaker. Instead of putting through a list of resolutions as they appeared on the Order Paper, so that the Opposition did not get a fair crack at Private Member's Day, we said we would not do that. We will let the Opposition call whatever resolution it wants to and we will alternate Private Member's Day, one on either side, because we had consideration for the Parliamentary system, and it was working fairly well until now.

MR. TOBIN:

(inaudible) last night.

PREMIER WELLS:

Mr. Speaker, would you name the hon. Member if he does not remain quiet please?

MR. SPEAKER:

I will do so.

PREMIER WELLS:

That was the first move we made. The second move we made was to implement a committee system to consider legislation, so that hon. Members would have the maximum, reasonable opportunity to consider legislation before it came to the floor of the House. We felt that would not only accommodate the Opposition Members, but it was in the public interest as well, so we thought it the right thing to do, and we made tentative provision for it even before the rules were changed. Mr. Speaker, the resolution that was passed was not a contract, a commitment, or any such thing, it was a resolution to

accommodate it to take place before the rules were changed. And, Mr. Speaker, when the rules are changed, like the rules of all other Legislatures, will permit legislation to be brought to the House without going to Committees first. The Committee system is there as an accommodation to aid in the public discussion of legislation that is to come before the House, and to provide for the general public good, and to accommodate the Opposition. There is no obligation to bring it to the Committees first, nor will there be when the rules are changed. Now, Mr. Speaker, the performance of the Opposition today is nothing short of perfidy, flying in the face of the effort we have made to try and make this House work better and give the Opposition a chance to be better accommodated, and to see this kind of silly reaction coming from the Opposition, says to me that we might as well abandon the effort, because the Opposition is not of a sufficient quality to know how the House should work.

SOME HON. MEMBERS:

Hear, hear!

PREMIER WELLS:

Their sole concern is to try and make the House difficult to operate, as it was their concern when they sat on the Government side. There has been no change in that and that just tells me that it is the individuals more than the positions they hold that is causing the problem.

Mr. Speaker, there never was any obligation of the Government to refer it to the Committees, and when the rules are changed there will not be anything that will prevent the legislation from coming before the House in any

kind of a situation where the Government feels it is necessary to call it before it goes to any Committee. The rules will accommodate that, as it should. Now, the mere fact that we have done this to accommodate the Opposition before we had time to implement the rules, and the Opposition raises this now, and suggests that somehow there is a breach of privilege, is just too incredible to even listen to.

Mr. Speaker, the privileges of this House come from the rules of the House, and the laws under which the House is constituted, not from anything else. There is no privileges from resolutions or motions or anything else, and whether or not the motion is interpreted that way, and quite frankly, Mr. Speaker, I say to you that while we did not address the question specifically on this side, the representation by the hon. House Leader of the Opposition that this was somehow an agreement that the Government made that it would (inaudible) is not correct, it does not represent the arrangement. Mr. Speaker, what the Government indicated it would do was refer legislation to committees and that we intended bringing in rules in due course. I would still like to be heard, Mr. Speaker. We intended to bring in changes to the rules in due course to allow this to be properly formalized. Now, in the meantime, we asked the House for permission to refer legislation to committees while the House was adjourned between our sitting last June and our sitting now. There is no obligation to place it before the House before it can be debated. And as a matter of fact, Mr. Speaker, if my memory serves me correctly, in this fall sitting on one occasion Your Honour has

already made such a ruling to that effect. So, it does not amount to any breach of privilege or anything, and there is no merit in the argument that there is a breach of privilege. I do not think that there is anything else, honestly.

MR. SIMMS:
Mr. Speaker.

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

MR. SIMMS:
I would like to offer some further comments for Your Honour's edification in determining whether or not this is, in fact, a point of privilege. It is not up to the Premier to determine, it is up to the Speaker to determine whether or not this is a prima facie case.

SOME HON. MEMBERS:
Hear, hear!

MR. SIMMS:
Mr. Speaker, what we are arguing here is that this matter is of serious enough importance to allow us to debate properly whether, in fact, what the Premier says is accurate or whether, in fact, what I have been saying and my colleague, the Member from Humber East has been saying, is accurate. It is an important enough matter to allow a debate, and that is precisely what a point of privilege appoints to do. I ask Your Honour to determine whether it is important enough to allow a debate, and there is only an hour and a quarter left, and maybe it would be appropriate to determine in this case to determine that it is, but that is for Your Honour to decide. That is all it is. To decide whether or not it should be debated.

Mr. Speaker, I say to the Premier after what he just said it is too, too bad. The Premier and his Government have been caught with their parliamentary pants down, Mr. Speaker, that is what has happened in this incidence. No doubt about it.

SOME HON. MEMBERS:
Hear, hear!

MR. SIMMS:
Mr. Speaker, that is what has happened here, and the Government House Leader, God bless him, a good friend of mine and everything else, I think he knows he has been caught out on this one, even though we gave him enough notice on Friday that we intended to ensure that we followed the rules that were agreed upon.

Mr. Speaker, it is interesting to note that the Premier, and I ask your Honour to take note of this, the Premier did, in fact, in his comments refer to the motion as a resolution. He did refer to it as a resolution. So both sides acknowledge now that this motion in Hansard 1246 is in fact a resolution. And, Mr. Speaker, a resolution cannot be stricken, cannot be amended by one Member because one Member says so. It cannot be done that way, Mr. Speaker. If a resolution of the House has been passed, I would argue and submit that it has to be rescinded by the Legislature. I think that that is clear parliamentary procedure. When is a resolution a resolution? That is the question, Mr. Speaker, that is the question.

And it is also interesting to note, Mr. Speaker, that the Premier spent his 5 or 10 minutes in debating on this point of privilege berating the Opposition,

attacking the Opposition for the way it acts and its performance, and all that stuff, but never once offered, Your Honour, anything substantive or substantial in helping Your Honour in trying to determine whether or not this matter is of such importance as to allow a debate, Mr. Speaker. And he went on to suggest that the resolution of the House is not a point of privilege. Well, Mr. Speaker, I will refer your Honor to Beauchesne paragraph 33, - it is all in the same paragraph - "The most fundamental privilege of the House as a whole is to establish rules of procedure for itself" - which we have done with this resolution, Mr. Speaker - "and to enforce them." The most fundamental privilege, Mr. Speaker. "A few rules are laid down in the Constitution Act, but the vast majority are resolutions of the House..." - the vast majority are resolutions of the House, the vast majority of privileges. You have to read it in the entire context - "...which may be added to, amended, or repealed at the discretion of the House."

Mr. Speaker, I submit that my friend and colleague, the Member for Humber East, has argued very forcibly and very ably that the privileges of Members of this House, Members on that side as well I submit, particularly private Members, their privileges have been, in fact, breached. Because we not only had an agreement, Mr. Speaker, we had a resolution that was called by Your Honour, those for, those against, and pronounced by Your Honour as being carried.

MS VERGE:

And we all acknowledged this today.

MR. SIMMS:

And it says, Mr. Speaker, 'that legislation will be referred to the appropriate committees.' Now, Mr. Speaker, nothing can be clearer than that, in my view.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Speaker.

What is really going on here, of course, is the Opposition is trying to kill time and hang tough on the Economic Recovery Commission legislation as long as possible. Otherwise, they would have taken other occasions to do what they are doing here today. Let us assume I want to deal with the Member's arguments. I say that, Mr. Speaker, because there are no arguments, simply because there is nothing covering this in Beauchesne or in our Standing Orders: The Member's argument essentially, when she brings up a point of privilege, is that her privileges as a Member of the House have been interfered with, that something has happened to prevent her from doing her job in this House.

Now, Mr. Speaker, nothing has happened to prevent the hon. Member from doing her job in the House if, indeed, she wants to do it. Let me tell you, Mr. Speaker, that the resolution or the motion, or whatever the Member wants to call it, was a motion made in this House to give effect to the fact that we could send Bills to these Committees that we temporarily set up until rules of procedure could be done.

Now, Mr. Speaker, it said 'at the earliest opportunity, these

resolutions or these bills will be sent to the Committee.' Mr. Speaker, the bill itself was not printed until about fifteen or twenty minutes before. It was not even ready for printing until the day before it was distributed, and it was given to every single member of these Committees immediately. Every member of these Committees has had that bill every since Friday, Mr. Speaker. It has not been withheld from them. They have had the Bill, and this is what has been done with all other Bills that have been given to the Committee members. They have had it.

But, Mr. Speaker, let me deal with the real issue here. There is something going on here that is very, very distasteful. And, Mr. Speaker, Your Honour, and I hate to comment on something Your Honour said, seemingly got carried away with the statement made by the Opposition House Leader, that there was an agreement somehow between myself as Government House Leader and the Committees that all pieces of legislation would have to go through the Committees before they would be dealt with in the House. Now, Mr. Speaker, I tell you that in meetings that I have had with the Committee members, with the Committee Chairmen and so on, in a room with a lot of people there, they know full well that I have always pointed out that there will be occasions when Bills would have to go through the House first. I repeated that in this House, Mr. Speaker, a dozen times. I specifically told the Member for Humber East, the Member for St. John's East (Ms Duff), all members of the Committees, that there are occasions, Mr. Speaker, when legislation could not go through the Committees, and that there was

no agreement that all legislation would go through the Committees. That is a given at the beginning, Mr. Speaker. I do not know where we come with this agreement that all legislation has to go through the Committees before it comes to the House. To do that would hamstring this Government, would prevent any legislation from ever getting through this House. It just would not be sensible and would not be reasonable, Mr. Speaker. You know me to be a sensible and reasonable man, and I would not suggest any such thing.

So, Mr. Speaker, there is no point of privilege. The Member can still do her job, the same way she always could. All Members opposite can still do their jobs the way they always could, if they want to. They had a copy of the Bill as soon as any Members on this side had a copy of the Bill, Mr. Speaker, which is something that is new for this House. As soon as it was available, it was given to everybody, including all the Committee Members, which is something unusual for this House, Mr. Speaker. There can be no breach of privilege.

MR. SPEAKER:

To the point of privilege. The Chair again goes back to the original ruling, when we talked on a point of order with respect to the resolution. The Chair never saw the resolution to be binding. We said it was a resolution formalizing an agreement, but, again, the Chair never saw it in the light that the Government could not withdraw its agreement. I have said, in my words, that we might interpret it as a breach of an agreement, but the point of the matter was that in all - and the Government is quite right, that they would not allow themselves to

get in the position where they could not present legislation immediately to the House. That is an accepted procedure. So I say that the agreement that the resolution be binding on the House would have to state that it was an amendment to our Standing Orders, and it is not an amendment to our Standing Orders. With respect to allowing the debate of privilege, we will get a chance to debate it the minute we go into the motion now. So I rule that it is not a point of privilege, and neither is it a point of order, that we do have to revert to our Standing Orders on this procedure.

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker.

MR. R. AYLWARD:

Mr. Speaker, on a point of order.

MR. SPEAKER:

The hon. the Member for Kilbride.

MR. R. AYLWARD:

Mr. Speaker, I just want to point out to you, or give you an argument, not necessarily of privilege, I suppose, but certainly a function that I would have in this House when this motion or procedure of Committees was brought before the House in the first place.

I want to read from Hansard, June 30, 1989, L1245, Mr. Speaker. The hon. the Government House Leader is reading.

AN HON. MEMBER:

Is this a point of order?

MR. R. AYLWARD:

This is a point of order, yes. I have raised a point of order.

The Government House Leader is speaking, Mr. Speaker: 'This is an experiment which has been done by leave' - this is what the hon. Member says, Mr. Speaker - 'because it is not covered in our Standing Orders. So I ask permission by leave to do this.'

Now, Mr. Speaker, I understand that when we do something by leave in this House, I have the privilege in the future, if I see that this is not working, to withdraw my leave, or any Member of this House can withdraw his leave, and the procedure will no longer be in effect. But, Mr. Speaker, we went on a bit further in this House, where I gave up my right to withdraw leave. The hon. Mr. Baker said he would move that as legislation becomes available, it should be referred to the appropriate Committee, Mr. Speaker. This was put as a resolution, it was agreed to by all in this House. I gave up my right to withdraw my leave that this legislation would be put before a Committee by agreeing to this resolution, as did every Member of this House. Mr. Speaker, the resolution was brought in by leave, which is quite common in this House. If we are not going strictly by our Standing Rules of Order, we do allow, by leave of every Member of this House, resolutions to be brought in. Mr. Speaker, we did bring in this resolution. We all agreed to pass it, and thereby myself and every Member of this House gave up our right to withdraw our leave to have this legislation put before Committee

Now, Mr. Speaker, the only way this legislation will not be put before a Committee, in my interpretation of this resolution which we have passed, is that the

Government or the Opposition or some individual Member of this House would put a motion forward in this House to negate the resolution or the motion that we have already passed. Until that is done, I feel my rights in this House are beginning interfered with. It is important that we continue with the resolution we all have passed in this House, or we tear up the rule book, Mr. Speaker, and forget all the resolutions we have approved in this House by-leave, and say that there is nothing else that can be done in this House by-leave. Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Speaker.

Just very briefly, obviously we are going to see about ten or fifteen attempts now to bring up a point of order that has already been ruled on. I would suggest to Your Honour that this is not a very good day for this House, and that this is in disdain of Your Honour and is very insulting.

The same point of order is going to be brought up eighteen or nineteen times, I can see that, Mr. Speaker, simply to try to stifle debate on the Economic Recovery Commission. That is what is happening here. I would say to Your Honour this is the same point of order Your Honour ruled on.

MR. SPEAKER:

The hon. the Member for Humber East.

MS VERGE:

Thank you, Mr. Speaker.

MR. SPEAKER:

Is the Member speaking to the point of order?

MS VERGE:

Yes, I am speaking to the point of order raised by my colleague, the Member for Kilbride, Mr. Speaker.

I would refer to comments made by the Government House Leader to the effect that we in the Opposition have not explained how the Government, in pressing forward with presentation of Bill 40 in the full House without having referred it to the appropriate Legislative Committee, has handicapped our functioning as Members.

I would like to explain to Your Honour that our primary purpose as Members is to serve our constituents, to serve the citizens of Newfoundland and Labrador. If we are to rush into debate of Bill 40 without giving the appropriate Legislative Review Committee an opportunity to scrutinize it or to hold public meetings on it, which is one of the stated purposes of the Legislative Review Committees, then we as Members, I, as the Member for Humber East and my colleague as the Member for Kilbride, are not working effectively in serving constituents. We will not be able to meet face to face with constituents and give them the opportunity to look at the legislation and give us their ideas about the legislation.

This is the most significant piece of legislation Government has introduced since taking office in the spring. The Government House Leader brags of having presented fifty Bills in this session, yet forty-eight or forty-nine of those

Bills are inconsequential; most of them simply address the reshuffling of the public service and the renaming of departments.

MR. SPEAKER:

Order, please!

Would the hon. Member please clue up the point of order. I have made a ruling, but I am being tolerant of the hon. Member and I would like her to finish up very quickly.

MS VERGE:

Thank you.

Mr. Speaker, before concluding I would make one last point. Far from the Opposition trying to avoid discussion and debate of this Bill, "An Act To Establish The Economic Recovery Commission", we in the Opposition have been waiting for the Bill to come forward to the Legislative Review Committee. We have been eager to discuss it and debate it and scrutinize it ever since last July, Mr. Speaker.

This Economic Recovery Commission was set up by the Government last June, six months ago. People appointed to the Commission, Dr. Doug House, Mr. Wayne Humphries and others, have been purporting to function as Members of the Recovery Commission. They have been travelling all around the Province for months now. Mr. Speaker, if anyone has tried to limit and curtail debate about legislation to establish formally the Commission it is the Government, by waiting until six months after the Commission was appointed to put forward the legislation.

MR. SPEAKER:

Order, please!

There is no point of order. The Chair can only say with respect to the point of privilege, in terms of curtailing the hon. Member's effort, I see nothing that will change if we go ahead with the debate or if we do not go ahead with the debate. So, there is nothing the Chair can see to establish a point of privilege, and I have already ruled on the point of order.

The hon. the Premier.

PREMIER WELLS:

Mr. Speaker, despite the efforts of the Opposition to stop it -

MR. HEARN:

A point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. HEARN:

Mr. Speaker, I rise on a point of order that is not directly connected with this, but the indirect repercussions do affect the order and procedure of the House, which order is supposed to be all about. When we rise on the point of order, we are talking about the procedures that take place in this House. There is something happening here, Mr. Speaker, that goes far beyond the discussion as to whether or not the Government can introduce the piece legislation today. It affects how the orders of the procedure of this House will take place from this day on, and any decisions or rulings that are made today can affect what will happen.

When we were given notice by the Government that legislation would go to the Committees for discussion to be brought out, any important legislation, not only to

be discussed by the Committees but the people generally across the Province would be given the opportunity to discuss and have input into the legislation. We have seen so far coming through the House, Your Honour, a number of Bills that have been no more than housekeeping, changing names of Departments, changing functions. There has not been one solid piece of legislation.

Now, the point of order: When we have an important piece of legislation, the Government comes in and tries to ram it through by doctoring the time, so that there is no time to discuss it. They try to ram it through the House. What this means is that the whole procedure that has been set up, that we as an opposition accepted, because it was good to discuss legislation in Committee, to have input for prior changes, or whatever, to give input to the groups and agencies across the Province, many of whom are going to be affected by this piece of legislation, when we get to an important piece of legislation, the rules are all out. Despite the fact that a resolution was agreed upon unanimously in the House, everything is out now.

What this means is, if this can be perpetrated upon the House, and the Premier gets up and speaks - I was going to say in the forked tongue, but I will not, I will say what he says will not conform to reality, because he is pretending on one hand to give the Opposition and the people generally input into legislation in this Province, then, on the other hand, he whips it away. And if we take it away lightly like that, Mr. Speaker, I will say to you that no longer will there be any rule or order to the procedures that take place in

this House, especially as it relates to dealing with legislation. So I suggest to you that we do have a point of order, that we are not proceeding as was the intent as agreed upon by the whole House, and if we go ahead with the scam that they are putting on the House today, then the total order and procedure of this House has been disrupted.

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

I am going to rise to say nothing about the argument the hon. gentleman made, because he is insulting Your Honour and the whole House by raising again the same point of order that has now been dealt with three times. And it is the hon. Member and the hon. Members opposite who are frustrating and upsetting the procedure of this House, and it is monumental hypocrisy for him to suggest otherwise. Mr. Speaker, Your Honour has ruled on the point of order. Now, if your Honour allows this to continue, that every time I rise to speak on it some other Member stands on a point of order, then Your Honour is accepting one insult after another from the hon. Members opposite and allowing the privileges of this House, to debate the proper business of the House, to be disrupted and insulted in this way, and I suggest to your Honour that that is unacceptable. There is no point of order.

MR. SPEAKER:

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

MR. PARSONS:

To that point of order, Mr. Speaker, I rise in support of my

colleague for St. Mary's - The Capes. As far as I am concerned, Mr. Speaker, he made some excellent points. I have been here in this Legislature for three years, and I must say that when the present Government decided that legislation would go before the Committees I certainly, for one, thought that was step forward. But, Mr. Speaker, this is a very important piece of legislation. This Economic Recovery Commission seems like it has to do with the fundamentals of what is happening here in this Legislature.

Mr. Speaker, it is the first important piece of legislation, from where I sit, that has come before this House. Everyone admits the rest was only housekeeping. We had the Minister of Finance up there one day going on and on about The Horse Racing Act. Glory be to goodness! It was a laugh. But this is not a joke. This has to do with our future, the future of every child, every human being who lives in this Province of Newfoundland and Labrador. Mr. Speaker, we have seen what happened over in the East Block, in Europe, where the eastern countries have torn down walls to try to get this type of thing through, where the people will have the satisfaction or the right to look into what legislation is coming across.

Mr. Speaker, as far as I am concerned, we are going the wrong way.

MR. SPEAKER:
Order, please!

I see the hon. gentleman is making no new point. The Chair has already ruled on the point of

order, and would ask for the co-operation of hon. Members.

The hon. the Premier.

PREMIER WELLS:

Your Honor, I am happy to move second reading of this Bill, "An Act Respecting The Economic Recovery Commission."

Mr. Speaker, when we formed the Government of this Province, or perhaps more appropriately, in the year or two before forming the Government of this Province, we did a very thorough assessment of the economy of the Province and looked very carefully at where we had been going. How the Government, not just the former Government, but its predecessor - when I talk about the former Government in this regard, I talk about the Government led by Mr. Peckford, because the present Leader of the Opposition was not there long enough to have any impact on it. So I cannot assign responsibility to him personally for leading the Government of the Province during any effective period. So I am talking about the Government led by Mr. Pecford, and the Government before that, the Government led by the hon. Mr. Moores and, really, the Government led by Mr. Smallwood. Collectively, since Confederation they have not be able to solve the fundamental economic problems of this Province.

The Government that came closest to it, in fact, was the Government led by Mr. Smallwood, and we have to give him credit for that. But none of the Governments have solved the fundamental economic problems of the Province.

Mr. Speaker, if you look at the record you will see, particularly

since 1971 when the Tory Party formed the Government first, headed by Frank Moores, from that point onward the gap between Newfoundland economically and the average in the rest of Canada and, as well, the gap between Newfoundland and the other Atlantic Provinces has widened. Prior to 1971 or 1972 the gap was narrowing. Now I have all the economic statistics to demonstrate that very clearly. If Members of the House are interested, I will have copies made and distributed to them so that they can see exactly what these statistics indicate. It indicates quite clearly that the gap between our earned income in Newfoundland and the earned income in the Atlantic region has widened; there has been coning of the lines and an increase in the gap.

When you look, for example, at the earned income in the Atlantic region indexed to the Canadian level, if you look at it as a percentage of the National average from 1961 to 1987, Prince Edward Island went from 55 per cent of the national average to be about 68 per cent of the national average, which was not too bad. They were below what we were in 1961, Mr. Speaker; we had gone ahead of Prince Edward Island in 1961, but since that time they have gained tremendously on us, particularly since 1979, when Mr. Peckford formed the Progressive Conservative Administration. Since that time in particular the gap has narrowed. But, in any event, just remember these figures: Prince Edward Island went from 56 per cent of the national average to about 68 per cent of the national average, New Brunswick went from about 63 per cent of the national average to about 70 per cent of the national

average, Nova Scotia went from about 74 per cent of the national average to about 78 per cent of the national average, and what happened to Newfoundland? Up until 1971 we were doing pretty well, we went from about 56 per cent of the national average up to well over 60 per cent, but since that time we have dropped again and we are now down to exactly where we were in 1961.

Now, Mr. Speaker, nobody can look at those statistics and figures and not come to the conclusion that we have a problem underlying our economy. The former Government burried its head in the sand and was unwilling to address the real problem in terms of addressing the problem as such. Instead what they started to do was put on band-aids. Every time there would be a cut or a little bleeding in the economy, they would put a band-aid on it to try and cover it up and try to mask it. They did the same thing with the unemployment rates statistics. They created these phony job opportunities, these so-called make work opportunities to give the impression that they were improving the economy and our employment statistics were improving. And now they are trying to give the impression to the public of this Province that our unemployment figures have worsened since this Government took office. They were here in the House the other day, I believe the hon. Member who is making noise over there now, was here in the House the other day saying it had gone up by 2.8 per cent.

MR. MATTHEWS:

That is what Stats Canada said, 2.4.

PREMIER WELLS:

Gone up by 2.4 per cent he says. That is not what Stats Canada says at all. Now, let us look at the real figures, and we will see just how the former Government tried to mask the real problem. We, Mr. Speaker, have taken a different approach. Anybody who has listened to any of the speeches that we have made on this side of the House, we have said clearly that we are not going to bury our heads in the sand. If you ever want to correct a problem, Mr. Speaker, the first thing you must do is admit that you have a problem. If you deny that a problem exists, there is no possibility that you can ever come up with a solution to it.

Now that is what the former Government did, denied that they had a problem, or at least denied the dimension of the problem. Well, we are taking a different approach, Mr. Speaker. We intend to identify the problem, the problem that was created largely by the policies of the former Government; not solely their responsibility, admittedly, not solely their responsibility.

MR. MATTHEWS:

All federal (inaudible), right?

PREMIER WELLS:

No. It is not solely the former Government's responsibility, the Federal Government shares some responsibility with them, as well. So I cannot blame it all on the former Government. But the simply fact is, Mr. Speaker, contrary to what they were suggesting in the House the other day, that our unemployment situation is worse now than it was in October of last year, let me read Your Honour the real figures.

AN HON. MEMBER:

Your figures.

PREMIER WELLS:

No, Stats Canada figures. These are Statistics Canada figures, and here they are: In actual numbers there were 197,000 people employed in October 1988. In October 1989, there were 204,000 people employed. Now that is what we did to create further unemployment, as the hon. gentleman inferred. That is right, an increase of 7,000 jobs, Mr. Speaker, over what there was in October of last year. That is the true story.

AN HON. MEMBER:

What about the (inaudible)?

PREMIER WELLS:

Now the work force, and I am glad he asked about the work force, because in October of last year there were 229,000 in the work force. In October of this year, there were 240,000 in the work force, because they have some hope of finding meaningful jobs, they have expectations from this new Government, Mr. Speaker, they have confidence in the Province.

MR. MATTHEWS:

Yes, they have. In Grand Falls they have, yes.

PREMIER WELLS:

Now, Mr. Speaker, there has been a significant increase in the number of people employed. There has also been a significant increase in the number of people unemployed because there has been an increase of 11,000 in the work force. That is the significant factor, Mr. Speaker, contrary to what the hon. Members opposite have been saying. In fact, the economic situation has improved. Not enough, but marginally it has improved. There are more people working in this Province now by

7,000 than there were a year ago.

Mr. Speaker, I am not very proud of that, because it does not solve the basic problem. There are more and more people in need of work. As circumstances get worse for families, both parents have to go out and work to find an adequate level of income, and that is why we set about to try and deal with this problem in a proper way. I am going to remind the House again, Mr. Speaker, that in the last five years that I was a member of this House, before recent events, in the years from 1966 to 1971, the unemployment rate in this Province was averaged 2.3 percentage points higher than the national rate. In all of the last ten years, Mr. Speaker, it averaged 10 percentage points higher than the national rate.

AN HON. MEMBER:
(Inaudible).

PREMIER WELLS:
That is right. That is what happened when we changed from a Liberal Government to a Conservative Government. It started back in 1971 with Mr. Moores, but to give Mr. Moores and his team the degree of credit they are due -

MR. DOYLE:
The general economic (inaudible).

PREMIER WELLS:
That is right. That is figured into the average. That is calculated into the average. To give Mr. Moores his due, he was not as bad as the Government that immediately preceded this one, the Government led by Mr. Peckford. They have done irreparable damage to the economy of this Province, and every single economic indicator demonstrates that our

economy has deteriorated in relation to the other Atlantic Provinces and in relation to Canada as a whole. All you have to do, Mr. Speaker, is look at the figures and that is very clear. Even when you look at it in relation to Atlantic Canada, our earned income has deteriorated. It was 86 per cent of the Atlantic Canada average in 1961, and it was down to 82 per cent of the national average by 1987.

Mr Speaker, we have to deal with these problems and you cannot deal with these problems by the pet approach of the former Government. They talk about the Private Sector Employment Program. Make it look like there is lower unemployment, pay companies to hire people, the Private Sector Employment Program that they keep touting as being such a great success. That is the program, Mr. Speaker, in respect of which some employers were saying, I am not getting any employee subsidy. That is the way employers viewed it, as an employee subsidy. How can we justify spending taxpayers' dollars to aid Newfoundland Light and Power to hire twenty people, to subsidize Newfoundland Light and Power to hire students, when they would hire them anyway? How can we justify using taxpayers' dollars to subsidize law firms to hire law clerks? That is wrong. If the Government is going to do it, I can understand businesses and firms taking advantage of it, but they did it for one sole reason, to make the unemployment figures look better. They failed to deal with the underlying problems of the economy of this Province. They stuck their heads in the sand right up to their shoulders, and they never had them out for the whole time they were

there if you look at the figures and the results that ensued in the end. Mr. Speaker, whatever figures you look at, it demonstrates quite clearly the mismanagement of the economy and the failure to deal with the real and fundamental problem plaguing Newfoundland and Labrador.

Mr. Speaker, in fairness to the former Government, they were not alone responsible. The Federal Government also has a responsibility in this area, and we are endeavoring to deal with that as well, and to ensure that the Federal Government properly responds and addresses the problem.

Mr. Speaker, when you look at the national statistics you see something else: you see that since the present Administration took office in Ottawa, in fact the amount of money being paid to business enterprises in Atlantic Canada on a per capita basis to promote job opportunities in Atlantic Canada is now lower than what it is in booming Ontario and Quebec; on a per capita basis they are paying less to support work and to create job opportunities in Atlantic Canada than they are paying in Central Canada.

Now, Mr. Speaker, we have to stop that.

MR. MATTHEWS:
That is wrong.

PREMIER WELLS:
It is not wrong. The figures are there and it is clear.

SOME HON. MEMBERS:
No, it is wrong.

MR. MATTHEWS:
No, I am saying what is happening is wrong.

PREMIER WELLS:
Sure, it is wrong. But it is typical of Progressive Conservative policy. It is typical Progressive Conservative policy. Stick your head in the sand and put a band-aid on it to stop those who are complaining. That is typical Progressive Conservative policy. And to that extent they are performing in the same way as the former Government was here, Mr. Speaker.

Now, Mr. Speaker, we have to attack the economic problems of this Province on a dual front. We have to make sure that the people of Canada become aware of just how wrong it is for the Federal Government to implement its policies in this manner, and the extent to which they are failing the smaller, less fortunate provinces of this country.

Now, Mr. Speaker, I have had a lot of mail in the last few weeks, and while they are very encouraging -

AN HON. MEMBER:
(Inaudible).

MR. SPEAKER:
Order, please!

I have been listening to hon. gentlemen opposite. The Premier is talking, and I do not see the necessity of punctuating the Premier's statement with verbalizations after every pause. So I ask hon. gentlemen, please, to accord the Premier the privilege of appropriate order while he is speaking.

PREMIER WELLS:
Thank you, Mr. Speaker.

Mr. Speaker, we have to attack the economic problem of Canada on two fronts. One is persuading the

Government of Canada that it must respond in a proper way to the economic problems of the less fortunate areas of this country. And I started to say, Mr. Speaker, I have been getting a lot of mail recently that relates, in the main, to the Meech Lake Accord. But I am greatly encouraged by the proportion of those letters that refer to the economic plight of Newfoundland and, two, the circumstances that I outlined during the First Ministers' Conference. I am happy to see, Mr. Speaker, that the position that was taken at the First Ministers' Conference has had impact all across this country, and I am getting a large number of letters from Ontario that acknowledge this, and acknowledge the necessity for the Government of Canada to properly respond. And only, Mr. Speaker, when we make impact on the public of Canada will we get the right response out of the Federal Government, unless and until we have a reformed Senate, where Newfoundland and Labrador will have the proper level of impact on the exercise of national legislative and spending power.

In the absence of a reformed Senate so that we can really impact on the voting power in Ottawa, we, Mr. Speaker, must take our appeal directly to the people of Canada, and that is what has been started with the attendance at the First Ministers' Conference, and that is what I intend to keep up in speaking engagements across this country.

I have now had invitations to speak in some thirty or thirty-five centres across Canada in the next three to four months, and I intend to accept a significant number of those

invitations, primarily, Mr. Speaker, to make the point that we must alter the Constitution of this country in a way that will give the smaller provinces an opportunity to have real impact on the exercise of national legislative and spending power, because I think that that is where our long-term security lies.

I recognize that no Government of this Province, the former Government included, could solve the fundamental economic problems of this Province without help from the Federal Government. I acknowledge that, I acknowledged it before and I reaffirm it now. I say they could have done a much better job than they did do; its the hiding of their heads in the sand that concerned me most about it. But, Mr. Speaker, I acknowledge, as I did earlier this afternoon, it is not their sole responsibility, the Federal Government has a major role to play in it as well.

Now, Mr. Speaker, as hon. Members will see, in introducing this legislation and in proposing the legislation in the manner in which we have, one of the powers that we are asking this House to give the new Economic Recovery Commission is the power to enter into arrangements with agencies of the Government of Canada. And we hope that the Government itself will be able to enter into arrangements with the Government of Canada directly to use the Economic Recovery Commission as a means of restoring the viability of the economy of Newfoundland. Because you see, Mr. Speaker, the simple fact is, I believe, that the Federal Government will benefit more from the improvement of the economy of Newfoundland than the Government of Newfoundland and

Labrador will.

When we looked at the impact of subsidizing the building of the shrimp trawler in Marystown, when we agreed to consider whether or not we would put in \$4.5 million of Provincial funds that had been previously earmarked to support the construction of wet fish trawlers, when we considered whether or not we would agree to do the same for the shrimp trawler, we looked at the relative values in Newfoundland, the economic benefit that would be derived from that, and we looked also at the economic benefit that would be derived from Canada. I forget the figures off the top of my head, perhaps the Minister of Development (Mr. Furey) when he speaks on the bill will give hon. Members the figures, but my recollection is that for the \$4.5 million that we would put up in this Province, we could see a return to the Province of \$1 million or so, something in that order.

AN HON. MEMBER:

Eight or nine hundred thousand dollars.

PREMIER WELLS:

Eight or nine hundred thousand dollars. That would be the economic benefit to the Province. Why then, you might ask, would we spend \$4.5 million of taxpayers' money? We did it, Mr. Speaker, contrary to what the Member for Burin - Placentia West (Mr. Tobin) suggests, we did it, Mr. Speaker, because of our concern for the people of Marystown and the area around Marystown, who work at that plant, and their families. That is why we were prepared to do it. We were prepared to go to great lengths to do that. All we asked was their accommodation in return

and they choose not to, but that was another debate and another day.

The Federal Government, Mr. Speaker, by comparison, for their \$4.5 million would get over \$5 million net return back. In other words, they would have a net gain out of putting the funds. So I say to you, Mr. Speaker, money put into improving the economic circumstances of this Province and providing job opportunities for our people will provide a far greater return to the Federal Government than it will provide to the Government of this Province. But that is no reason for us to sit back and do nothing. I think, Mr. Speaker, if the Federal Government is not prepared to lead the way, we have to lead the way and bring the Federal Government into the maximum possible level that we can, and that is the objective of this exercise. We are doing it now in terms of the response to the Fisheries Program. I have already explained to this House what the Government has proposed in terms of meeting the fisheries crisis that we are about to encounter starting next month, or early in the New Year, at least, if not next month.

Mr. Speaker, I am encouraged by the indication that the Federal Government will indeed work with us in a program that will not only respond to the employee and community adjustment that is necessary to provide for those men and women and their families who will not have jobs in fish plants and on trawlers as a result of the cutback in the total allowable catch. We must respond to their immediate income need and ensure that they have an adequate level of income. Not only is the Federal Government prepared to respond to that, but I have every

reason to believe that the Federal Government will be responsive to a proposal that the Provincial Government has made to them to deal with the underlying problem in Newfoundland, and to put some additional money into it. And this Government will come to the House of Assembly and ask the House -

I was supposed to have been speaking for 55 minutes? Do I only have 5 minutes, Mr. Speaker?

MR. SPEAKER:

It has been brought to the Chair's attention that when the Premier got up at 2:35 the points of order were taken out of there.

PREMIER WELLS:

So, that was the trick, to use up the time with points of order. Well, very clever, Mr. Speaker. That is alright. The legislation will speak for itself, Mr. Speaker. Mr. Speaker, I do not recall that I even got started at it before these points of order were raised. I never addressed the question at all before the points of order were raised.

MR. SPEAKER:

The Chair relies on the table for these times, and the table has it that from the time when I recognized the Premier - and I was not aware myself that the points of order were coming out of the Premier's time or I would have been a little more vigilant in enforcing it - I was not aware that the points of order were coming out of the Premier's speech, but when the Chair recognized the Premier it was 3:35. I am not even sure the Premier spoke.

PREMIER WELLS:

I did not, Mr. Speaker, I spoke

only to the point of order, I never even had an opportunity to address the question. If I had started to speak, I could understand, but in any event, Mr. Speaker, I will not challenge it. I will have an opportunity to sum up at the end of it.

Mr. Speaker, we recognize that Governments, all Governments, not just the Conservative Government, although they were infinitely worse, but all Governments in the last 40 years have demonstrated an inability by direct Government actions to cope with the underlying economic problem of this Province. We recognize that, Mr. Speaker. Now, Mr. Speaker, as great as we think we are, and we think we are much better at Government than those on the other side.

SOME HON. MEMBERS:

Hear, hear!

PREMIER WELLS:

But as good as we think we are, we were not prepared to risk the economic future of the people of this Province for us to play around with for our political benefits. So what we decided we would do is establish a commission to carry out this activity, to promote economic development within the Province, particularly on small and medium size business enterprises. Mr. Speaker, that was our objective, because we recognized the constant failure and the incredible level of failure of the former Government, it was a gross failure when our unemployment rate went to be double the national average and has remained so ever since. So, Mr. Speaker, we created this Economic Recovery Commission for that express purpose. Now, I intended, Mr. Speaker, to review

the Bill, but if the hon. Members do not want me to do that, then I will leave it for other people to do.

Mr. Speaker, the approach that we have taken, I believe, is the right approach. I say again what I said when it was announced, there is no way in this world that the Government can guarantee that this will be successful. It may indeed be a total failure. It may, and let me emphasize for the media, the Economic Recovery Commission may be a total failure, I cannot guarantee success, but, Mr. Speaker, I have every confidence that it will be successful and that it is the right course.

SOME HON. MEMBERS:
Hear, hear!

PREMIER WELLS:
-Mr. Speaker, that is saying only what I have said a half a dozen times in this House already. I am confident that the people involved are taking the right approach, and they will, in the end, produce the right solution. But I warn people again, do not expect the kind of response of the former Government. Patch up the problems as it appears on the surface, patch up the symptoms, refuse to just deal with the problems, but just put band-aids on the symptoms, and pretend that there is no underlying problem there. The Economic Recovery Commission will take some time, Mr. Speaker, to produce results because their mandate is to produce, stable and continuing result on a long term basis for the good of the people of this Province, not to make the Government look good in the short term which was the policy followed by the former Government. We have abandoned that policy entirely and

are intent on resolving the fundamental and underlying economic problems of this Province, so, Mr. Speaker, I am very happy to move second reading of this Bill.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
Before recognizing the Opposition House Leader, I wonder if he would mind yielding, to welcome to the galleries today, the council from Gander accompanied by their Mayor, Mayor Sheppard.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
The hon. The Opposition House Leader.

MR. SIMMS:
Mr. Speaker, I am delighted to have yielded to your Honour, so that your Honour could welcome to the visitors' gallery, the Mayor of a very important Central Newfoundland community, good friends of the community which I represent from Grand Falls. I have had friendly rivalries over the years, but as always, it has been our intent, I think, both the Town of Grand Falls and the Town of Gander to do everything to ensure that the people of those areas are properly represented and that they get their due rewards, and I think it is fair to say, both towns, over the years have done reasonably well. Now, Mr. Speaker, I want to address some of the points that the Premier talked about initially, and these would be considered a few brief preliminary remarks, before I get into the topic at hand, which the Premier carefully avoided dealing in any detail with, and that is

The Economic Recovery Commission, he barely mentioned it, as a matter of fact, throughout the entire debate, throughout his entire comments. Mr. Speaker, the Premier said, first of all, he had to have an attack on the previous Administration, the former Administration, something we have come to expect, I suspect they are going to spend a considerable amount of time sitting around the Cabinet table and saying, Now Ministers, when you get a question from the Opposition, be sure, make sure, you make reference to the seventeen years of Tory rule, because they have all used it and I dare say, it is probably a planned attack on their part. But, Mr. Speaker, for the Premier to make that attack and those comments here today in the legislature talking about the previous Administration or the previous, previous Administration, I guess, to be correct, saying that that Administration, of which I was a part, used to address economic difficulties and economic problems with band-aid solutions. Now, I find that really hard to take, coming from a gentleman who attempted to get himself elected in Corner Brook, first of all in Humber East, and had to talk his Member in Bay of Islands into resigning so he could then have a crack at the seat in Bay of Islands, in the Corner Brook area, I find that hard to believe coming from a gentleman who had to do that, when he knows full well, that the previous, previous Administration of which he referred played a very significant role in ensuring the continued viability of the community of Corner Brook, with its efforts and involvement in the Kruger take-over, so, I mean, he should not make those kinds of comments in an offhanded kind of way that

he does. Mr. Speaker, there are all kinds of other examples where our Administration or that Administration made a significant contribution. Hope Brook Gold Mines, Bay Verte Mines, what about Bay Verte Mines, Mr. Speaker, who kept Bay Verte Mines going and Sprung, yes, they do not all work, but some do, this one will work by the way, The Sprung, one, will. The restructuring of the deep sea fishery was a very significant thing at the time, very significant thing at the time. The Marble Mountain Complex, it was the previous, previous Administration that provided a considerable amount of contribution to that operation, and, Mr. Speaker, so we get a little sick and tired of hearing those kinds of comments coming from Ministers opposite, because that is going to be their tack and we all know it. The largest newspaper in the Province, the newspaper of the largest circulation in the Province, The Evening Telegram, Members opposite may have read it, had an editorial in there that said 'The criticism by the new Administration now, the criticism of the Peckford Administration's handling of the economy was totally unfair, totally misleading, because, in fact, the Peckford Administration did handle the economy in a fairly positive way' and that was made by other people, other than ourselves, independent if you wish, so with me, the Premier's rhetoric in his comments here and debate on this Bill does not wash. He talked about the private sector employment, he called that a band-aid solution, short term jobs, and all that make work projects. Mr. Speaker, that is grossly unfair. He is saying that not only to us but he is saying it to the Board of Trade, a respected

business group in this Province, I guess, who have approached the Minister of Employment, I understand, and asked him to reinstate that program. Why, because Mr. Speaker, it was not a band-aid solution. It was an effort to create jobs and it did create jobs and it had success. Now it did not have total and absolute success, but it did create jobs and the important thing, Mr. Speaker, and the Minister of Finance laughs and I suspect he would laugh because he does not have a clue any way of what I am talking about, he does not even know what the Private Sector Employment Program was, I suppose.

The fact of the matter is, Mr. Speaker, that fully one-third of those jobs that were created under that Private Sector Employment Program were in fact permanent jobs, were created full-time jobs and the Minister should look into it a little bit deeper before he makes silly little snide comments across the House. So that kind of rhetoric from the Premier just does not wash.

It was interesting to see the Premier use the argument on the unemployment figures from Stats Canada, it was really interesting. Because, Mr. Speaker, what we had was a performance that would make you smile. Over the last year or two when we got up to talk about Stats Canada we always made the point of the increase in the number of jobs from month to month and year to year. We always made the very same point that he made today. There was an increase of 8,000 or 10,000 in the number of jobs. The Premier, who was then the Leader of the Opposition, used to always accuse us out in public of saying,

'Yes, but you did not mention that there was an increase of 10,000 or 15,000 in the work force.' And he used to say that the Stats were misleading. Yet, Mr. Speaker, he does exactly the same thing himself here today. He says, 'These are Stats Canada figures. In October of last year we had 197,000,' I think it was the Minister of Finance probably can indicate, 'but this year we had 204,000, 7,000 new jobs or something. But,' and I said, "What about the work force." "I am glad he asked." He said, 'We had 227,000 in the work force last year, this year we had 240,000, very significant.'

But, Mr. Speaker, we also had a significant increase in the unemployment rate because of that. He sort of carefully avoided mentioning that. But when we used to make the very same arguments over there, that is what I find interesting, the Premier when he was over here used to say, those are misleading figures. Those are misleading figures. Those are inaccurate. You cannot go around saying that you created 8,000 jobs or 10,000 jobs that is not accurate. Well, it was accurate. But the fact of the matter is that under our regime the unemployment rate dropped from 22 per cent down to 17 per cent, which was still too high, but it did drop, and we had the highest record in Canada per capita. What we have here, of course, is the unemployment rate from October to October under this Administration has in fact increased by 2 per cent or nearly 2 per cent, or whatever the total figure is.

So he is using his own previous arguments that he used to use against us. I hope that the press picks it up and I hope that they

scrutinize the Premier and say well is this not the same thing that you used to criticize the Tories for. They probably will not, but perhaps they might, who knows.

Now, Mr. Speaker, it is also interesting to hear these arguments about what has happened to this Province and the performance of this Opposition when it was Government, and so on, from the same man who supported the Trudeau, Federal Liberal Government in its fight to oppose Newfoundlander's rights to gain access to its own offshore resources. The same individual who now says we did not do anything to help improve Newfoundland, or try to do anything to help improve Newfoundland, is the same individual who supported the Trudeau Federal Liberal Government in its fight against Newfoundland's right to access its offshore resources. He also, as I understand it, and I might be corrected but I believe he took an opposing view against the Province of Newfoundland when it was trying to recall water rights from Churchill Falls. And he acted for Bowaters when they pulled out of Corner Brook, the same group that pulled out of Corner Brook and left them in the lurch.

Mr. Speaker, if we hear comments from that individual, from the Premier, then do not forget these things in the background. Just do not forget them, because it takes away from the credibility of the Premier's arguments.

Now, Mr. Speaker, he bragged about his Government's performance. He bragged about it here today in the House, his Government, the Liberal Government, what a fine job they

have been doing. Yet only today we saw his Minister of Finance come into this House and we heard his confession. They have been a dismal failure. The fishery is in a mess, 5,000 or 6,000 jobs gone or going. The forest industry with respect to newsprint is in a serious situation right now at the present time. Fish plants are closing all over the Province, Mr. Speaker. Baie Verte mines is expecting close-down and downtime.

MR. TOBIN:
(Inaudible).

MS VERGE:
Long Harbour.

MR. SIMMS:
Long Harbour closed down. Reduction in the Total Allowable Catch about to come up.

MS VERGE:
Canadian Airlines.

MR. SIMMS:
Labour problems coming up. I look forward with interest to those, teachers and all the rest of it. He had the gall to brag about his Government's performance when his own Minister says, 'Real growth in Gross Domestic Product is now down to 1.7 per cent from what we budgeted six months ago which would have been 2.8 per cent.' He says also, Mr. Speaker, 'Investment growth. We had forecast investment growth in this Province to be 8.1 per cent just six months ago. But, I am sorry to tell you now it is down to 3 per cent. Investment growth has dropped to 3 per cent.' The Premier talked earlier about how people had confidence in this Government and in this Administration. What a laugh, Mr. Speaker! What a joke!

Retail trade is down. It is not going to be nearly as strong as it was in 1989. I hope the Member for Pleasantville (Mr. Noel) takes note of that. It is because of his Government's performance, and I hope it does not affect his shoe business detrimentally.

MR. NOEL:

Or the grocery business.

MR. SIMMS:

Or the grocery business either, which I do not own any more, by the way, I can tell the hon. Member. So his little dig will get nowhere today. You will have to look at more research.

MR. NOEL:

You could not make a go of it.

MR. SIMMS:

Mr. Speaker, I was prepared to take a risk and gamble on it unlike some people over there, I can tell you.

Now, Mr. Speaker, those are a few preliminary remarks. Let me get to the bill itself because that is what is important here, I will just read my mail as I am going through.

MR. WALSH:

(Inaudible).

MR. SIMMS:

I thank the Member for Mount Scio - Bell Island (Mr. Walsh) for that information.

Mr. Speaker, Bill No. 40, "An Act Respecting The Economic Recovery Commission." Now before I get into that I do want to make another comment about the Committee process, about the debate and the discussion we had a little earlier, and I have to say I resent the suggestion from the

Premier, by the way, resent it when he said, 'Oh, the trick was to try to take up his time in the debate.' Well, Mr. Speaker, that did not even enter our mind to be quite frank with you.

AN HON. MEMBER:

No, no, no! I know it did not.

MR. SIMMS:

No, it did not, Mr. Speaker.

So I resent that implication, that suggestion. It is unfair. It is just not fair.

MS VERGE:

(Inaudible).

MR. SIMMS:

Mr. Speaker, it is not only unfair, it is probably unparliamentary to suggest that it was a trick and all that kind of nonsense. The fact of the matter is, what we raised today as a Point of Order and a Point of Privilege, Mr. Speaker, was a serious, serious, matter. Even the Speaker thought it was serious. He took the time to recess the House so he could give a ruling and we all heard his ruling. His ruling was, yes, the Government has broken its commitment. That is what the Speaker said, the Government has withdrawn from its commitment. I saw the Premier over there and I thought he was going to have a fit, I thought he was going to bust a nerve or a blood vessel. That is what he said, that the matter was a very serious and important matter. Members can smirk, smile, and interrupt all they want, but that is the fact of the matter. It was a deliberate attempt I suggest, Mr. Speaker, because this piece of legislation could have been done months ago. If you look through the Bill

itself it is not that complicated. There are certainly not that many legal words. I suspect, the Premier had nothing to do with it otherwise it would have been couched with all kinds of legal words. That is no reflection, of course, on the law clerk at the table who did a fine job, he did what he was told to do, I suspect. Mr. Speaker, it is a rather easily worded piece of legislation, not really complicated, no big words, no big legal words. At least I did not have a difficult time reading it.

Mr. Speaker, the point is this, Mr. House the Chairman of this Commission undoubtedly had an input into the direction that would be given to the Legislative Council to draft the Bill. He has been appointed since June, six months ago, or whatever it is. Now, Mr. Speaker, if it took him six months to draft this piece of legislation, God help us, how long is it going to take him to create hundreds and hundreds of jobs, the thousands of jobs that we need in this Province? That is what I fear and that is what I am concerned about.

SOME HON. MEMBERS:

Oh, oh!

MR. SIMMS:

Mr. Speaker, if I could have some quite from Members opposite who constantly interrupt me, I would appreciate it.

MR. SPEAKER:

Order, please!

I think when the hon. the Premier was speaking and he asked for some quiet and silence here I think it was the Members who granted that to him, so I ask that the hon. Members on this side of the House

now afford that same courtesy to the hon. Opposition House Leader.

MR. SIMMS:

Thank you, very much, Mr. Speaker.

Mr. Speaker, see the Minister of Forestry and Agriculture and the Minister of Development. Is it going to stop? He has a little clip there about Joe Tremblett. Is that the one he has there? He is some excited.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

He is some excited about Joe Tremblett's comments. Joe Tremblett had a crack at me two or three weeks ago for some comments I made in Grand Falls. Joe is seeking the NDP nomination in Grand Falls, I say to the hon. Minister, but he should not get too excited about that.

AN HON. MEMBER:

He might go for Windsor - Buchans.

MR. REID:

He is thinking about running for Windsor - Buchans, come to think of it, unless the Member for Exploits (Mr. Grimes) brother runs for the NDP out there again. That might be possible.

What we saw transpire here was a Government that was afraid to bring this legislation to the legislature, initially. That was their fear. They were afraid it would be scrutinized and they wanted to avoid that as much as they could so they were not going to allow the Committees to look at it and scrutinize it, they were not going to allow the committees to take the decision to travel around the Province to give the people some input, the chance for

the people to have input, a chance for the people to offer some constructive criticism. They were not going to take that chance, Mr. Speaker, I will tell you, they were not going to take that chance. So it was a deliberate attempt, in my view at least, to side-step the process, the agreement. Not only the agreement, but the resolution that we passed in this legislature, Mr. Speaker, back in June of this year, June, 30th of this year. But anyway, we dealt with that today, and we argued and debated it, and finally it was pointed out by the Speaker that indeed the Government has broken its agreement, broken its word, and that is not unusual for us to hear that, we have been saying that for six months now. We have it confirmed by none other than the independent, non-partisan person who Chairs the debates in this Legislature, his Honour, the Speaker.

Mr. Speaker, what do we have here in the case of this Bill? Well, the principle of the Bill is basically to establish a commission, and it refers to it as a corporation, in the legislation, it refers to it as a corporation, so it is like a crown corporation undoubtedly. What is its mandate? Here is its mandate. To identify programs to reduce unemployment, to identify employment opportunities, and stimulate economic development. That is its general mandate. A shortened version of it for the Member of St. John's who is following the legislation no doubt. Mr. Speaker, it is made up by a group of five people who have been hand picked and appointed, and who report only to the Premier. They report directly and only to the Premier. For those

five individuals alone, I guess the salary and wage bill is somewhere in the area of a quarter of a million dollars alone for those five individuals. They are all getting \$50 thousand to \$60 thousand a year, I guess, maybe more. More probably. They have a budget this year of \$3 million. They may not spend \$3 million this year, they may spend \$5 million next year, who knows, but that is the Governments own assessment of what it would cost, \$3 million. The Premier has said, 'we are not going to see anything really significant for at least 8 or 9 years.' He has said that himself publicly and in this Legislature. So multiply 8 or 9 years by the \$3 million and you have \$24 million to \$25 million. \$25 million to \$30 million, Mr. Speaker. More than Sprung, much more than Sprung. They are prepared to make that kind of a commitment.

So, Mr. Speaker, you have heard the mandate, I just touched on the mandate. And if you will look at the Bill itself, page 5 of the Bill, you will see some of the duties of this commission, section 8 of the Bill, and I will just read some of them. I am not going to read them all, I want to read some of them. One, promoting the values of an enterprised culture, and self reliance throughout the Province. That is one of the big mandates of this Commission. Promoting especially small and medium-sized enterprises; initiating the implementation and recommendation of the Royal Commission on Employment and Unemployment, many of which were already implemented, of course, a couple of years ago.

AN HON. MEMBER:

No, no!

MR. SIMMS:
Yes, they were.

AN HON. MEMBER:
(Inaudible).

MR. SIMMS:
That is not true. That is not true.

AN HON. MEMBER:
(Inaudible).

MR. SIMMS:
Mr. Speaker, promoting a developmental and client centred approach among the Department of the Government and its agencies. It sounds to me like the Old Action Program or whatever it was called, the one Bob Cole used to run. What was that? That was put in by a Conservative Government years ago. And this sounds like exactly the same thing. I did not like that then and I do not like this now, Mr. Speaker. I am not afraid to say it unlike the Minister of Development (Mr. Furey).

AN HON. MEMBER:
They had no harm in saying that.

MR. SIMMS:
Sponsoring coordination and cooperation among community, Provincial Government and Federal Government Economic Development Initiatives and Programs throughout the Province. Well sure is that not the mandate of the Department of Employment? It sounds to me very similar to the mandate of the Department of Employment? Preparing an inventory of all small and medium-sized commercial development opportunities in all regions of the Province, in manufacturing service, agriculture, forestry and fishing sectors of the Province's

economy. Now brother I will tell you, they have some challenge on their hands there. But is that not what the Minister of Forestry and Agriculture (Mr. Flight) is suppose to be doing? Is that not what the Minister of Fisheries (Mr. Carter) is suppose to be doing? Mr. Speaker, that is my whole point throughout this. And I would like to know what it is going to do for Grand Falls? I would be interested in hearing the Minister who chairs that Committee.

I presume this Commission now in keeping with its duties that I just read is out in Grand Falls and has been out there since Friday, when this announcement came, working with the groups and councils and the unions and everybody else for the last three or four days. It is part of their duties and responsibilities. I presume the Economic Commission are out there doing it.

AN HON. MEMBER:
(Inaudible).

MR. SIMMS:
No, you can say that again, they are not.

Mr. Speaker, making recommendations to Government as to the means of achieving decentralization. Do you want to know why I did not ask you a question, Mr. Speaker, because you cannot get any answers from the Minister because he does not know what is going on.

MR. FLIGHT:
(Inaudible).

Mr. Speaker, making recommendations to the Government as to the means of achieving decentralization of Government services and so on. Why cannot

the Economic Council do that? We have an Economic Council in the Province who have made recommendations on decentralization in the past, Mr. Speaker. So why do you need a new commission costing \$3 million a year for the next ten years? Perhaps some of you can answer me that when they stand to speak in the debate some time in the next couple of weeks.

Mr. Speaker, all of these duties that I just alluded to sound so much like the duties and the responsibilities of various Government Departments and agencies. The Department of Development has similar duties, the Rural Development Loan Board has similar responsibilities, the Newfoundland and Labrador Development Corporation were doing exactly that, a highly successful Crown Corporation I suggest to you Mr. Speaker. The Department of Employment is supposed to be doing a lot of these things. But more importantly, Mr. Speaker, these duties and the mandate that I have described is precisely the mandate of a Government. It is the mandate of a Government to do all these things. The Cabinet, Mr. Speaker, that is precisely the point. And Cabinet now is somehow abdicating its responsibility in my view, and sloughing it all off to a non-elected bureaucracy. That is what is happening in this respect.

Mr. Speaker, why do we need this agency? We have Departments, we have agencies, we have Ministers, we have a Government, we have a Cabinet. Why spend \$25 million to \$30 million to duplicate what the elected representatives of the people who formed the Cabinet should be doing themselves?

I will tell you, Mr. Speaker, it would make you wonder. I was reading a survey in the newspaper, and I will just conclude with this for today, 'Many local businesses unaware ACOA exists.' ACOA is a Federal Crown Agency that is supposed be out there to help the business world. This may be startling information to some people. They did a survey of Newfoundland businesses. One hundred and seven Newfoundland businesses were surveyed, 24 per cent of them (so more than twenty-five of those 107) said they were not even aware that ACOA existed. Now that is is an Agency that has been floating around for three years. It has been highly promoted, talked about, and fully one-quarter of the Newfoundland businesses surveyed said they knew nothing about ACOA. But here is the interesting thing, nearly 50 per cent of them, 48 per cent of them said they had no interest in getting any help from them, 46 per cent said that ACOA should be providing loan guarantees to businesses, that is what they were looking for.

Mr. Speaker, the Cabinet can do that. You do not need an Economic Recovery Commission costing you \$3 million to do it.

Mr. Speaker, I see that it is five o'clock, so I will adjourn the debate until tomorrow.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

I would like to inform Members opposite that tomorrow we will be dealing with the same item of business on the Order Paper.

On motion, the House at its rising

adjourned until tomorrow, Tuesday,
at 2:00 p.m.