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Speaker: Honourable Thomas Lush

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The House met at 2:00 p.m.

Mr. Speaker (Lush): Order, please!

Before proceeding to routine business I would like on behalf of all hon. members to welcome to the House of Assembly today eleven students from the Career Academy here in St. John's with their instructor Gloria Dawe.

Some Hon. Members: Hear, hear!

Statements by Ministers

Mr. Speaker: The hon. the Minister of Mines and Energy.

Dr. Gibbons: Thank you, Mr. Speaker.

As hon. members of this House are aware, negotiations between Newfoundland and Quebec regarding the development of the additional power potential of the Churchill River in Labrador have been ongoing for the past year. These negotiations are focussing on possible arrangements for selling power and energy surplus to Newfoundland's needs to Quebec from both the Gull Island and Muskrat Falls sites.

Mr. Speaker, I am pleased to advise this House today that this morning Newfoundland Hydro has registered the first phase of the proposed developments in Labrador with my colleague the Minister of Environment and Lands, as required under the Environmental Assessment Act.

Some Hon. Members: Hear, hear!

Dr. Gibbons: Furthermore, Mr. Speaker, information on the proposed project will be filed

shortly with the Federal Department of Energy, Mines and Resources to determine if there is a need for the project to be referred to the Federal Environmental Assessment Review Office (FEARO). If it is referred to this office the proposed project may be subject to a joint Federal-Provincial environmental assessment.

Hon. Members will recall that a full environmental assessment was undertaken on the Lower Churchill Developments, including Gull Island, Muskrat Fall and a transmission line to the Island in 1979-80. At that time, the panel determined that the project was environmentally acceptable as proposed, as long as certain conditions were met. What further work will now need to be undertaken will only be known after review by the relevant departments of both the Federal and Provincial Governments. The fact that most elements of this project were reviewed before and found to be environmentally acceptable should be of great assistance in receiving current approval.

Mr. Speaker, the development of these sites, along with a transmission line from the Churchill River to St. John's, would result in the investment of approximately \$10 billion and would ensure that this Province has a stable, secure supply of electricity for decades to come.

It is too early yet to say if an acceptable deal will be struck with Hydro-Quebec for the sale of power surplus to the needs of this Province. Past administrations' efforts have failed. However, I am hopeful that this time an agreement can be reached and a

transmission link from the Island to Labrador can be achieved. If all goes well, power from the Lower Churchill river can be flowing by 1999.

Even though an agreement has not yet been finalized with Quebec, I am initiating the environmental assessment now so that all relevant Federal and Provincial laws are upheld and the project can proceed in a planned, orderly manner, if an agreement is reached.

Some Hon. Members: Hear, hear!

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

Mr. Rideout: Thank you, Mr. Speaker.

First of all I want to thank the Minister for providing us with an advanced copy of this statement, but secondly, I want to say that I believe this particular statement, Mr. Speaker, borders on the abuse of the routine order of business here in this House, known as Ministerial Statements. There is absolutely nothing in this statement, Mr. Speaker. This is a statement by a Government that is in deep political trouble trying to get a bit of good news, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Rideout: The Minister has to admit in the body of the statement that the full environmental assessment on the Lower Churchill, a proposed development, was done in 1979 and 1980, and that this is nothing more but to register the project for an upgrading of any necessary environmental work that might be done. It is a speculative statement, and a deceptive statement, meant to try

to set in the minds of people the possibility that there might be some agreement, and there might be a development. It is nothing more, or nothing less, than a Government that is on the run, bad news overcoming it everywhere, trying to get for itself a good headline, Mr. Speaker. It is hardly worth responding to. And for a Minister -

An Hon. Member: (Inaudible).

Mr. Speaker: Order, please!

Mr. Rideout: There is no trouble to know when you strike a nerve on the other side. There are people in the House who would like to talk to the Minister of Social Services, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Rideout: And, Mr. Speaker, this kind of a statement coming from a Minister who by and large, I have to say this, I think is a very competent Minister, a very understanding Minister, but to be forced by the Government to bring this kind of foolish statement before the House where there is not even hope, there is not even any assurance that negotiations will be successful. Mr. Speaker, if the Minister wanted to come before this House today with something that was substantive he would have come and announced a plan whereby the Government was going to get to the table immediately to resolve land claim settlements in Labrador, because this project, Mr. Speaker, will never go ahead unless that happens first.

Some Hon. Members: Hear, hear!

Oral Questions

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

Mr. Rideout: Thank you, Mr. Speaker. Mr. Speaker, on Tuesday, in response to questions by my colleague, The Opposition House Leader, the Premier said the following, and I want to quote briefly for the Premier. He said: 'Whether the Department of Health's Budget is going to be frozen at what it is or not, is still not decided. We have asked each of the Agencies to tell us what would be the consequences of freezing the Budget at this year's level.' That is a direct quote from the Premier in Tuesday's Hansard.

The Minister of Health on the other hand, in his letter to the hospital and nursing home associations in this Province, to the administrators, dated October 15th, said the following, and again I want to make a very brief quote, and it is this, the Minister said: 'The 1991-1992 budget for your organization will be approximately equal to the final revised budget for the current fiscal year'. That is what the Minister said on October 15th.

Now, Mr. Speaker, these are two very different statements. The Premier says maybe, the Minister says definitely. Now, will the Premier clear up the confusion, have the hospitals and nursing homes been told that their budgets for 1991-1992 will be the same as the revised budgets for this year. Is there or is there not a freeze? Will the Minister tell the House and tell the people of this Province once and for all.

Mr. Speaker: The hon. the Premier.

Premier Wells: Mr. Speaker, I say again for maybe now the twenty-fifth time, maybe it is the twenty-sixth. I say again, the position is that we have asked every department and every agency of Government to tell us what the consequences will be if they are confined in the coming fiscal year to the total amount that they have for this year. Now that is what they have to do. The decisions are not yet made. Mr. Speaker, the final decision is not yet made and I do not expect it to be made for some time to come.

We are gathering the information. Maybe the Minister expressed it in a little stronger way than I might have expressed it, but that does not mean the decision is yet made. What the decision will be, will be announced for all the world when the Budget decision is brought in place, then the Government, the Members of the House and the public of this Province will know what the decision is. Mr. Speaker, between now and then, in order to be effective, we are going to have to take some preliminary decisions if there is to be any reduction or change of program or reduction in expenditures or reduction in staff or anything of that nature, steps must be taken at an earlier stage in order to implement that, and every department and every agency of Government have been asked to provide us with advice as to what would be the consequences of their not receiving any more money. Now whether that would be absolute for any department or not remains to be seen. It may be that some departments will get more and it may be that some departments will get even less than they had in this current year.

Mr. Speaker: The hon. the Leader

of the Opposition.

Mr. Rideout: Thank you, Mr. Speaker. If the Premier has continued to say so for the twenty-sixth time, I say to the Premier for the twenty-seventh time, that the Minister of Health is not skating around the issue like he is, Mr. Speaker.

The Minister of Health admitted on Monday in the Evening News that \$60 million will be lost to the hospitals sector in this Province this year, and he admitted -

Mr. Decker: A point of privilege, Mr. Speaker.

Mr. Rideout: A point of what, Mr. Speaker?

Mr. Speaker: Order, please!

Mr. Rideout: You cannot raise a point of privilege during Question Period.

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

The hon. the Leader of the Opposition says it cannot be done, but it can be done. The preference is that it be raised after.

Mr. Simms: Practice.

Mr. Decker: Mr. Speaker, a point of privilege and I do not care what the privilege is when -

Some Hon. Members: Oh, oh!

Mr. Decker: - something is being said which is absolutely, either unintentional, but it is misleading. I did not say to the media that there is \$60 million, I said, the hospital boards are saying it. I am being

misrepresented, Mr. Speaker.

Mr. Speaker: Order, please!

It is not a point of privilege to say that a Member was misleading. That is not a point of privilege and hon. Members ought to know that.

The hon. the Leader of the Opposition.

Mr. Rideout: Mr. Speaker, if the Minister of Health had not been so touchy and so sore and so tender, I would have given him the direct quote. This is what he said to the media on Monday evening 'cuts will happen because of the Budget freeze.' That is what he said, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Decker: On a point of order, Mr. Speaker.

Mr. Rideout: Mr. Speaker, he is trying to deliberately kill Question Period.

Mr. Speaker, sit that member down.

Mr. Decker: He is deliberately misleading what I said.

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

I point out to the hon. Member that to say that somebody is deliberately misleading the House is unparliamentary and I ask the hon. Member to withdraw, please!

Mr. Rideout: Now withdraw it.

An Hon. Member: He is doing it, Mr. Speaker.

Mr. Decker: Mr. Speaker, whether he is deliberately doing it or not

I cannot prove.

Mr. Simms: Withdraw! Withdraw!

Mr. Rideout: Mr. Speaker, that is not good enough.

Mr. Decker: But he is misleading. So I withdraw deliberately misleading, Mr. Speaker. Yes, I withdraw.

Mr. Rideout: Mr. Speaker, that is not good enough.

Mr. Tobin: Kick him out.

Mr. Speaker: The understanding of the Chair is that the hon. Member withdrew 'deliberately misleading' and that is what the Chair required. Again I point out to hon. members that points of privilege and points of order should be made after Question Period and not during.

The hon. the Leader of the Opposition.

Mr. Rideout: Thank you, Mr. Speaker.

Now, Mr. Speaker, in view of the fact that the Minister of Health said publicly in this Province on Monday evening that cuts will happen because of the Budget freeze, I want to ask the Premier this: Will the Premier admit that the Minister is right? Will the Premier admit that the administrators of the hospitals and nursing homes are right, that there will be massive reductions, that there will be massive bed closures, and the health care system in this Province will suffer because of the freeze instituted by this Government?

Mr. Simms: His own Minister said it.

Mr. Rideout: His own Minister.

Mr. Speaker: The hon. the Premier.

Premier Wells: No, Mr. Speaker, the Opposition Leader is not correct. I do not deny anything the Minister said. But let me remind this House and through this House the whole Province, Mr. Speaker, that the day we entered and took responsibility for Government, Government was spending 23 per cent of its Budget on health care, today it is 25 per cent, Mr. Speaker.

Some Hon. Members: Hear, hear!

Premier Wells: We have increased it, Mr. Speaker, by \$150 million.

Some Hon. Members: Hear, hear!

Premier Wells: Now, Mr. Speaker, we are not decreasing in dollars. But everybody knows that the cost of operation is likely to increase on all aspects. Everybody knows and understands that, Mr. Speaker. So next year if any health institution has to confine its operations to the total of the revenue that it has this year, then of course there has to be reductions in some kind of works or services, unless there has been fraud perpetrated, there has to be reductions. Everybody admits and understands that.

So I say to the hon. members opposite, Mr. Speaker, they should not try and mislead the people of the Province in this way. Look at the real facts.

Some Hon. Members: Hear, hear!

An Hon. Member: Oh, boy! Oh, boy! Oh, boy!

Mr. Speaker: The hon. the Leader

of the Opposition.

Mr. Rideout: Mr. Speaker, we will look at the real facts of the Premier's allegation of the amount of money that they put in health later on, perhaps before the day is over.

But I want to ask the Premier this: The Premier keeps shifting ground, Mr. Speaker, on Tuesday he said 'there may or may not be massive reductions - there is no decision.' Later on he went on to say 'we may have to make some substantial changes in the way we deliver services - in the level of services and in the number of employees.' That is what the Premier said. Now I want to ask the Premier: Which of his answers on Tuesday is correct? Would he be honest enough to get up and tell the House which is the answer he is going to stick by? Stop deceiving people. Tell the people in the House the truth.

Mr. Speaker: The hon. the Premier.

Premier Wells: Every answer I have ever given is absolutely correct, Mr. Speaker.

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

Ms. Verge: Thank you, Mr. Speaker. I have a question for the Premier about an actual cutback, a cutback that was instituted by his Government on October 1. I am referring to the cutback in social assistance for about 1,000 single mothers and 1,500 children in this Province. The cutback that involved re-classifying maintenance and child support as non-allowable income and resulted in a surprise drop in income that constituted as much as 20 per cent of some

families' total income.

My question is, will the Premier reverse that cutback?

Mr. Simms: Will the Premier, as leader of the Government?

Some Hon. Members: (Inaudible).

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

The hon. the Minister of Social Services.

Mr. Efford: Thank you, Mr. Speaker. First of all let me say to the Leader of the Opposition that I will meet with anybody at any time in this Province, and that includes the 500,000 people of this Province. At any time I will meet them, and individually.

Some Hon. Members: (Inaudible).

Mr. Speaker: Order please! Order please!

I ask the hon. Member to proceed with answering the question.

Mr. Efford: Yes, Mr. Speaker, I will. And I will not be political for a change, I will be direct to the hon. Member.

Some Hon. Members: (Inaudible).

Mr. Speaker: Order please!

Mr. Efford: The decision was made by the Department of Social Services to adhere to the policy implemented by the Department of Social Service in Newfoundland, bearing in mind one thing, that we do not want to keep people in this Province dependent on an income which cannot even provide the essential things in life, which

they deserve. Single parents, all people in this Province who are on social assistance, deserve a better income than is allowed on social assistance.

What we want to do, Mr. Speaker, is take the amount of money we are using in programmed social assistance and redirect it toward jobs, number one, education programs, number two, and give people the opportunity to get some self-respect and dignity back, and take away what was forced on them by the former administration. Very clearly, Mr. Speaker, we have programs in place so every single parent in this Province can obtain jobs, education programs and still draw their maintenance income. It will have no effect on them. The only thing it affects is social assistance programs.

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

Ms. Verge: Thank you, Mr. Speaker. I concur with the Minister of Social Services' remarks that social assistance recipients do not deserve what his department is paying them. They deserve a lot more than that.

Some Hon. Members: Hear, hear!

Ms. Verge: Mr. Speaker, my next question is to the Premier. I would like the Premier to explain to this Assembly and the people of the Province why he will not reverse the October 1 social assistance policy change, why he will not treat social assistance recipients who are receiving maintenance or child support in a fair and balanced way, as he promised he would?

Mr. Speaker: The hon. the Minister of Social Services.

Mr. Simms: No, this is to the Premier.

Mr. Efford: Thank you, Mr. Speaker.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

Mr. Efford: Mr. Speaker, the Member for Humber East who is asking the questions was the very Member who said in this House of Assembly that the very reason she was bringing in the Maintenance Enforcement Act was to have the spouses of this Province pay their fair share so that their dependents would not be a tax burden on the Province of Newfoundland and Labrador and dependent on social assistance. I mean, she herself, as stated in Hansard.

Some Hon. Members: Oh, oh!

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

I am sure hon. Members will agree that they want the answers and they want everybody in the galleries to hear the answers. As long as we keep sallying back and forth, the answers cannot be heard.

The hon. the Minister of Social Services.

Mr. Efford: Mr. Speaker, very clearly I can see every single parent in this Province and I can see how they are living, the destitute way in which they are living. We did not, by the way, bring in the regulations on the amount paid to people who are receiving social assistance, we inherited that from the former administration and we both agree it is not enough. We are making

changes. One of the things we are changing is programs within the Department of Social Services, to give single parents and everybody dependent on social assistance in this province a better opportunity, Mr. Speaker, at having a decent life, which they deserve, and a decent income. Number one, what is wrong, I ask the Member for Humber East, with -

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

I remind hon. Members that just as questions ought to be brief, so ought the answers. The hon. Minister, I realize, is into a difficult area, talking about policy, but I would ask the hon. Member, please, to clue up his answer quickly.

Mr. Efford: Very clearly and very briefly, Mr. Speaker, we are going to give the people of this Province a better opportunity, just as we are going to give them -

Mr. Tobin: Answer the question.

Mr. Speaker: Order, please!

Mr. Efford: The former Minister of Social Services should not interrupt. He is the one who caused it.

Mr. Tobin: (Inaudible).

Mr. Speaker: Order, please!

If the hon. Members want the answer, I would ask one more time that we please co-operate. I am sure there are people in the gallery who want to hear the answers and cannot hear them, so I please ask the hon. Minister to keep himself to the answer.

The hon. the Member for Humber East.

Ms. Verge: My question is to the Premier. I would really appreciate it if the Premier would stand and answer my question. It will be short and pointed. Will the Premier comply with the request from the Single Mothers Against Poverty for a meeting? Will the Premier himself, personally, meet with representatives of the provincial organization called Single Mothers Against Poverty, many of whom are in the gallery today?

Mr. Speaker: The hon. the Premier.

Premier Wells: Of course, Mr. Speaker. I will meet with any group that wants to meet, and I will explain the full situation. And I will have with me the Minister who has the biggest heart of anybody sitting in this House to deal with the issue, so that there will be a full, total, and complete explanation of the whole thing. I will meet with the group at any time that is convenient.

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

Ms. Verge: Mr. Speaker, my final supplementary to the Premier. Will the Premier explain how he can live with himself, having had his Government reduce the income of a single mother and three children from \$650 a month to \$550 a month as of October 1? How can he justify that to himself or to the citizens he represents?

Mr. Speaker: The hon. the Premier.

Premier Wells: I could not if it were a fact, Mr. Speaker, but it is not a fact. It is a misrepresentation of it. We are

committed to treating people in this Province with fairness and balance, to helping those who need help on a rateable and fair basis, not giving preferential treatment to one group over another. Now, that is the commitment of this Government. And in carrying out that commitment, and in conforming to what is in place, I believe, in virtually every other province of the country except British Columbia, every other province of the country, we are committed to fairness and balance for all of our people and we will continue to apply rules and regulations that will treat people on a fair and balanced basis, and will give help on a fair and balanced basis, consistent with the level of need and taking into account income that people have so that people who have less income can get that much more help. That is fairness and balance. I realize that members opposite, Mr. Speaker, do not understand the concept.

Mr. Rideout: You beat up on the poorest of the poor. We understand that.

Mr. Speaker: The hon. the Member for Mount Pearl.

Mr. Windsor: Thank you, Mr. Speaker.

The Premier's commitment may be fairness and balance, but on that he has failed miserably, as he has on most other issues. I have a question for the Minister of Finance. In the Minister's Budget, in March, he estimated revenues for this year from the health and post-secondary education tax of \$15 million. I think that is prorated as \$25 million on an annualized basis. Would the Minister tell us what is the most recent estimate of

revenues to be received from that tax measure this particular year?

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

Dr. Kitchen: Mr. Speaker, the first month in which the tax was payable was August. The returns came in in September and my indication from my officials is that it is up to scratch. It is what was predicted.

Mr. Speaker: The hon. the Member for Mount Pearl.

Mr. Windsor: Mr. Speaker, I thank the Minister for that. In his Budget he also estimated revenue from the gasoline tax of \$83.8 million. Will the Minister tell us now, particularly in view of the increases in the price of gasoline, what exactly is the latest estimate of revenues to be received from the gasoline tax for this fiscal year?

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

Dr. Kitchen: Mr. Speaker, our latest figures are that the revenues from gasoline tax are up slightly, I think by about \$1 million, or something like that.

Mr. Speaker: The hon. the Member for Mount Pearl.

Mr. Windsor: Thank you, Mr. Speaker. It is incredible that it is only \$1 million. Eighty-three point eight million dollars was the estimate, and he is only up by \$1 million. That is a little over 1 per cent, a 1.2 per cent or something increase. The price of gasoline has gone up considerably more than that, and the Minister's revenue should go up proportionately.

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

Mr. Speaker: The hon. Member is on a supplementary and should not debate the answer.

Mr. Windsor: Your Honour is quite correct. I will get to my supplementary. In the Budget, Mr. Speaker, the Minister also indicated that ten gasoline tax inspectors' positions would be eliminated. Would the Minister tell us did he indeed eliminate those ten positions, and has he saved \$250,000 by that measure as estimated in his Budget?

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

Dr. Kitchen: Yes, Mr. Speaker.

Mr. Speaker: The hon. the Member for Mount Pearl.

Mr. Windsor: Thank you, Mr. Speaker. One final question, then. In view of the fact that those inspectors have been eliminated, in view of the fact that the revenue from gasoline tax has not increased at the same rate as the increase in the price of gasoline, will the Minister not confirm that the fact that those ten inspectors are no longer in the Government's employ has resulted in Government losing millions of dollars in lost tax revenue, particularly, Mr. Speaker, as it relates to tax revenues of transport trucks coming in through Port aux Basques, for which, I understand, there is now no inspector to see that those vehicles are coming in with minimum amounts of fuel, and that they are buying fuel in the Province and not using furnace fuel instead of diesel fuel, which has a much lower tax rate?

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

Dr. Kitchen: No, Mr. Speaker.

Mr. Speaker: The hon. the Member for Burin - Placentia West.

Mr. Tobin: Mr. Speaker, yesterday I asked the Minister of Municipal Affairs whether or not he would confirm that this year they would be eliminating the Social Services component, and the Minister's response was that it was announced last year and the Social Services component was eliminated last year. I ask the Minister, does he still stand by that statement?

Mr. Speaker: The hon. the Minister of Municipal and Provincial Affairs.

Mr. Gullage: Mr. Speaker, I was going to clarify that particular point later on under Answers to questions for which notice has been given, had that been the appropriate time. In fact, Mr. Speaker, the hon. Member was quite correct when he said it was not --

Some Hon. Members: Hear, hear!

Mr. Gullage: That it had not been eliminated this year - it is targeted to be eliminated in the next Budget. But in this particular year the social service component is still in place.

Mr. Speaker: The hon. the Member for Burin - Placentia West.

Mr. Tobin: Mr. Speaker, I thank the Minister again for saying that I was correct and that he was wrong. Will he now confirm that the social service component will be eliminated for next year?

Mr. Speaker: The hon. the

Minister of Municipal and Provincial Affairs.

Mr. Gullage: Yes, Mr. Speaker, that was the intent when it was announced previously. The social services component within the municipal grants is actually a duplication, because social services faces off exactly the same amount. And we did intend to remove that from the Budget and it is going to be removed in the next Budget.

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

Mr. Matthews: Thank you, Mr. Speaker.

Mr. Speaker, I have a question for the Minister of Fisheries. It has been brought to my attention that the Fisheries Loan Board is taking actions against a number of fishermen around this Province for something that is no fault of their own. They have had a very disastrous fishery, low landings, low earnings. I have had a number of calls from my own region of the Province where the inshore fishery was a disaster and from a couple of other areas of the Province that say that fishermen are getting telephone calls, indeed letters from the Fisheries Loan Board, threatening calls, and threatening letters, threatening to repossess their boats and the date of November 15 is being used. I am wondering if the Minister is aware of this action by the Fisheries Loan Board? And if so, could he explain the action of the Loan Board?

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

Mr. Carter: Mr. Speaker, in cases where compassion is needed the

Fisheries Loan Board is only too willing and indeed anxious to make sure that consideration is given. I will certainly have the matter referred to by the Member, investigated, and see what the situation is in that regard.

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

Mr. Matthews: Mr. Speaker, a supplementary to the Minister. In light of the Federal Minister of Fisheries announcement this morning of a \$5 million Fisheries Emergency Response Program, can the Minister inform the House whether or not the Province will be participating financially in the Fisheries Emergency Response Program this year?

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

Mr. Carter: Mr. Speaker, the fact that the Minister came down this morning and made the announcement he did, I think pretty well speaks for itself, in that the Federal Government is willing to accept responsibility for the crisis that we are now going through in the fishery. I am not sure if the \$5 million announced will be adequate, but certainly I think the fact that they are willing to go that far speaks for itself.

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

Mr. Matthews: Thank you, Mr. Speaker.

What it speaks for itself is that for the second year in a row, Mr. Speaker, this Government will not be participating in a Fisheries Emergency Response Program. That is what it speaks for itself.

Some Hon. Members: Hear, hear!

Mr. Tobin: Shame! Shame!

Mr. Matthews: I do not know why the Premier is shaking his head, Mr. Speaker, because that is the truth.

An Hon. Member: (Inaudible).

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

The hon. Member is on a supplementary and he is not suppose to debate answers. So I will ask the hon. Member to proceed with his supplementary.

Mr. Matthews: I am sorry, Mr. Speaker.

I was just sidetracked by the Premier there. He shakes his head at the truth so often these days.

I am wondering if the Minister of Fisheries, in light of the Fisheries Emergency Response Program, will not address the problems of inshore fishermen who are about to have their boats repossessed by the Fisheries Loan Board, which will not assist these fishermen with their problems. I am wondering if the Minister of Fisheries will undertake today to bring in measures, such as deferred payments on their loans, interest free loans or any other measures that might be of assistance to those fishermen who are in a position, through no fault of their own, but because of low landings and so on. Will the Minister undertake such actions as deferred payments or interest free loans to get those poor fishermen out of the financial mess in which they are in and will he undertake, Mr. Speaker, this afternoon, to immediately order the Fisheries

Loan Board to stop harassing fishermen about this Province who find themselves in difficult financial positions through no fault of their own - will he undertake to do that?

Some Hon. Members: Hear, hear!

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

Mr. Carter: Mr. Speaker, for the second time I will say what I said in the initial answer, I have offered to investigate. If it can be shown that there is need for a continuation of the type of compassion which we have been showing out there in the past, then we will certainly consider it, but certainly, I cannot, right off hand say that we are going to initiate a program of deferring of payments or interest, without first of all having the matter investigated.

Let me remind him, Mr. Speaker, while I am on my feet, when he talks about the Province and it's lack of response to the fisheries crisis, let me remind him of the almost \$14 million that the Province made available.

Some Hon. Members: Hear, hear!

Mr. Carter: Let me remind him of the offer on the part of the Province -

An Hon. Member: The offer?

Mr. Carter: Yes, offered to cost-share, to cost-share a quite extensive economic diversification package, 20 per cent of an estimated \$100 million over a certain period, so to say the Province has not done anything is not telling the truth.

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

Mr. Simms: Thank you, Mr.
Speaker. I remember well those
famous words: I would if I could
but I can't, Mr. Speaker.

My question is to the Minister of
Municipal and Provincial Affairs,
and it is related to the ongoing
controversy on amalgamation of
Grand Falls - Windsor.

The Minister said in his letter
October 15th, and I quote: 'that a
transitional rate of tax incentive
grant be set to include a
component to be calculated on the
Windsor portion'. My question is:
can he confirm that this wording
is the precise wording from the
Cabinet paper, and secondly I want
to ask him if this wording is the
precise wording that he
recommended to Cabinet, or did
Cabinet make the decision to add
the words 'on the Windsor portion'?

Mr. Speaker: The hon. the
Minister of Municipal and
Provincial Affairs.

Mr. Gullage: Mr. Speaker, I
cannot comment on any discussions
that were contained in a Cabinet
meeting, and the hon. Member knows
that. The forty-five cents on the
dollar and the discussions with
Windsor - Grand Falls and the
phase out of that particular grant
or phase down of that grant, if
you like, due to the amalgamation,
I think the points are quite clear
now. I have had several
discussions with both mayors and I
think they understand the
Government's position which was
made quite clear to them in my
meeting and subsequently confirmed
by my letter.

Mr. Speaker: The hon. the

Opposition House Leader.

Mr. Simms: So the Minister is
confirming that the Cabinet
decision was in fact reflective of
his recommendation to Cabinet.
That was my simple question. On a
supplementary, Mr. Speaker.

On the Capital funding issue:
since there is a dispute on the
interpretation of that one, can
the Minister confirm that the
intention of that particular item,
the capital funding item, is that
the Government will provide the
one and a quarter million dollars
a year for each of the next three
years, provided the amount of
regular Capital Funding Budget for
his Department can cover that.
Can he confirm that is the
intention of his commitment at
that meeting on September 25th,
and if that is the intent and the
commitment, will he advise the
people immediately in writing.
Perhaps that particular point can
be not only cleared up but put
aside.

Mr. Speaker: The hon. the
Minister of Municipal and
Provincial Affairs.

Mr. Gullage: Mr. Premier, I have
already advised both mayors in
writing of the terms, if you like,
that we will comply with that
particular point. And the one
point that needs to be made which
the Member did not mention is that
the \$1.25 million is not
necessarily in consecutive years.
I made it quite clear to the
councils that it is possible the
Government may not have a capital
works program in a particular
year. So capital works would have
to be deferred in that situation,
and it is subject to prioritization
and that was made quite clear as
well. The other point is, of

course, it is clearly defined as being identified and faced off against the problems of the town of Windsor.

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

Mr. Simms: A final supplementary, Mr. Speaker. Since the Minister cannot confirm for me that, in fact, the intent is as I described it in my question. If he did not intend the \$1.25 million to be provided over the next three years up to 1993 as the councils say occurred at that meeting, can the Minister explain why, then, he also agreed at that meeting to do a further study on that funding at the end of 1993 to see if the grants would be extended? What would be the point in agreeing to that if the Minister is saying something totally contradictory now at this point in time? It does not make any sense.

Mr. Speaker: The hon. the Minister of Municipal and Provincial Affairs.

Mr. Gullage: Mr. Speaker, again both mayors understand that it is evident and very clear that beyond 1993, if capital works had to be deferred and the three years of capital works were not complete - because in one particular year, next year or the year after, capital works had to be deferred - obviously we could not deal with any future problems of the town of Windsor or of Grand Falls, for that matter, as far as a new study is concerned of the needs of capital works, water, sewer, roads, whatever. That study would take effect whenever the three years work was complete. That could be five or six years from now and that is the clear understanding that took place in

the meeting. I have had discussions with both mayors since, and they understand that if the money is not provided in consecutive years, obviously a future study to look at the needs of the town would also have to be deferred.

Mr. Simms: It won't wash.

Mr. Speaker: Order, please!

The hon. the Member for Humber East.

Ms Verge: Thank you, Mr. Speaker.

My question is to the Premier: Has the Premier read the Provincial Arts Policy Committee report that the Government received on March 30th?

Mr. Speaker: The hon. the Premier.

Premier Wells: I have not read the full report, no. I have had the report assessed. I have put in place a committee of two people to work with the Minister to review what should be done to try and come to a conclusion as to the proper job description for the individual who should fill the position of Director of Cultural Affairs - or some judgement that the individuals who have applied probably do not fully suit the description that was written for the position. I believe that is accurate. The Minister can confirm whether or not that is accurate. We have to look at the whole thing again, but I did not read the report word for word. I do not have enough physical hours in the day to read every report word for word.

Mr. Speaker: Question Period has expired.

Presenting Reports by
Standing and Special Committees

Mr. Speaker: It is an unusual event, but the Chair would like to present a report. Pursuant to Section 29, I wish to present a report, that of the Parliamentary Commissioner. I am pleased to say I have received the 15th annual report of the Parliamentary Commissioner for the calendar year 1989 and I lay it on the table of the House.

Petitions

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

Ms Verge: Thank you, Mr. Speaker. Mr. Speaker, thirty-eight days after the Government's notorious cut in social assistance for single mothers and children, I present yet another petition of citizens of the Province who are outraged by that cutback.

The prayer of this petition is: Your petitioners urge the Government of Newfoundland and Labrador to reverse its change of policy and continue to permit social assistance recipients to retain a substantial portion of maintenance and child support payments as well as regular social assistance.

The petitioners live in and around St. John's. Now, Mr. Speaker, the people sitting in the gallery today must be horrified at the callousness and indifference of the Premier and the Minister of Social Services to the reality being endured by single parent families in this Province this

fall.

Mr. Speaker, the Premier is defending in the name of fairness and balance a callous deduction in social assistance for some of the poorest people in the Province. As I say, mostly children and single mothers. On October 1, without any advance notice to the people affected -

Mr. Efford: (Inaudible).

Ms Verge: - without any advance notice to the people affected, I say to the Minister, his Department started categorizing maintenance and child support as non-allowable income instead of allowable income. When it was treated as allowable income, recipients were able to benefit by up to \$115 a month.

Now, Mr. Speaker, in making the change the Government did not amend the regulations. For the last thirty-eight days the Government has been acting illegally. The regulations still say that allowable income means maintenance. Now, Mr. Speaker, the Premier has to account for the fact that he has reversed one of his major campaign commitments, namely, to lead a small l as well as a capital L Liberal Government, to be compassionate in treating people of the Province, and to improve the lot of children and single mothers.

The Premier when he spoke in this Assembly last year said, and I quote: I really think that any Legislature should avoid retroactivity like the plague.

Yet, the Premier seems to be planning to amend the social assistance regulations retroactively - as it were,

covering the tracks of the Government - to make legal what they have been doing illegally, namely, deducting all maintenance and child support from social assistance.

Mr. Speaker, the magnitude of the deduction for the families affected is a maximum of \$115 a month. For the people in this Chamber, that does not sound like very much money, but for the single parent families who suffered the deduction, it constituted as much as 20 per cent of the total family income.

The deduction came, as I said before, without any advance notice. It happened in the fall, just after the opening of school, when there are extra expenses, when the cold weather was starting, just as oil prices started to rise, and in the season leading up to Christmas. Now, Mr. Speaker, this cutback was the cruelest blow imaginable by a Government that calls itself Liberal and that uses the word compassion.

I look at the members opposite and I realize that most of them do not even care. The Minister of Finance is waving his hand, the Minister of Employment and Labour Relations seems to be uncomfortably avoiding looking at me, the Premier is writing a memo to himself, and the Minister responsible for the Status of Women is hiding his head, as well he might.

Mr. Speaker, I trust that the Premier will do as he said in Question Period and meet with representatives of Single Mothers Against Poverty without further delay, because perhaps when the Premier is confronted face to face

with women and children who have suffered because of the cutback of his Government, he will repent.

Mr. Speaker: The hon. the Member for Green Bay.

Mr. Hewlett: I was going to support the petition, Mr. Speaker, but if someone from the other side wishes to speak to it?

Mr. Speaker: They are not up, so I recognize the hon. Member for Green Bay.

Mr. Hewlett: I would like to support the prayer of this petition. The hon. Minister of Social Services does, indeed, feel very uncomfortable with regard to his position on this matter, and the Government in general does feel uncomfortable with regard to its position on this matter. The Minister of Health rose today on a point of privilege where he felt uncomfortable. I, myself, rose in this House a few days ago on a point of privilege with regard to comments made by the Minister of Social Services on this very issue some days before. He had indicated in debate in this House on a petition with regard to single mothers that the editor of a local newspaper was on his side in this particular matter. The local newspaper has since made it clear that they are not with him on this matter at all, but it shows the desperation of the Government side on this particular matter. Their position is totally indefensible. Earned income is retainable. Maintenance income is earned income, therefore, maintenance income should be retainable. Thank you, Mr. Speaker.

Mr. Speaker: The hon. the Premier.

Premier Wells: Mr. Speaker, there are a couple of things I want to address, just to highlight the political grandstanding the Member for Humber East has been carrying on now for several weeks, just to demonstrate what she has been doing.

Some Hon. Members: Oh, oh!

Premier Wells: Mr. Speaker, I believe I have the right to speak.

Mr. Speaker: The Premier has the floor of the House.

Premier Wells: Thank you, Mr. Speaker.

The hon. Member for Humber East just stood and made a great show of asking me if I would agree to meet with the Single Mothers Against Poverty, and I immediately said yes. What I did not know was that two weeks ago the Minister of Finance met with the group, Single Mothers Against Poverty, and discussed it with them, and he said they understood the fundamental fairness and understood what we were doing and appreciated it.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

The petitions only allow five minutes for each member. Two members from the Opposition spoke, as far as I know without being interfered with, certainly not to a large degree, and we should afford the same courtesy to the Premier.

The hon. the Premier.

Premier Wells: Thank you, Mr. Speaker.

The Minister of Finance said to the group - I just forget the precise words, but the gist of it was this: is there anything else we can do for you? They said, maybe we would like to meet with the Premier. He said, okay; I will arrange a meeting. I am sure the Premier will meet with you. And the co-ordinator, whoever it was, and I am sure the Minister can provide the name, said no, that is not necessary. It is okay. We will arrange it directly. Now, to the best of my knowledge, Mr. Speaker, I have not had a formal request, but I will check with my office to find out. So I just want to let everybody know that there is no difficulty for any group of people, concerned citizens in this Province, to meet with me. I am as available as any person could be, and considerably more available than my predecessor ever was to the people of this Province.

Now, Mr. Speaker, the hon. member makes a great to-do about the gazette dates, the date it was gazetted, and retroactive. That is utter nonsense. For example, the social assistance rate increase effective May 1 was not gazetted until June 8. It is perfectly normal, it is perfectly straightforward and appropriate. The rate increase effective July 1, 1989 was gazetted on September 20, 1989. Lest, Mr. Speaker, you think that to be peculiar to this present Government, the regulation that was done in the social assistance rate increase effective May 1, 1988 was gazetted on September 20, 1988.

Some Hon. Members: Budgetary matters.

Premier Wells: It is exactly the same thing. Budgetary matters,

yes. It is exactly the same thing. It is a normal functioning and operating of the Gazette. If there is no authority to change the approach there was no authority to grant the increase. It is utter nonsense. And for the members opposite to try and create something out of nothing just demonstrates clearly, Mr. Speaker, that they cannot cope with reality. What they have to do is create straw men that they have the competence to knock down. They cannot knock down the Minister of Social Services, he is too strong and too powerful, so they have to put up this man of straw that they have the competence to knock down or that is within their competence.

Now, Mr. Speaker, the object of this Government is to prevent preferential treatment for anybody. The Government is as concerned as any other member of this House, the members of this Government is as concerned about the impact on people. We acknowledge people receiving social assistance are not getting enough money. We agree with that. We agree with that primarily because we are Liberals and we have sympathy and understanding for people and we want to help people. But, Mr. Speaker, there are limited resources. The former Government so mismanaged and devastated the economy of this Province that it is very difficult to do anything on a fair and proper and full basis in the present circumstances.

Mr. Speaker, our objective is to provide fair treatment for everybody and not to create preferential for anybody. It does not matter who it is. We want to give help to the level that will be equal with other people. And

if one person has a certain level of income already and we are providing for additional maintenance and support through the Social Assistance Program, we want to do what is necessary to bring it up. And that is all we are doing, Mr. Speaker, trying to be fair with people. There is no intention to cut or hurt anybody.

Mr. Speaker: Order, please!

The hon. the Premier's time is up.

Premier Wells: We want to make sure that people have fairness and balance applied.

Mr. Speaker: The hon. the Member for Green Bay.

Mr. Hewlett: Mr. Speaker, I have a further petition, but first I would like to remind the hon. the Premier that single mothers are not straw men.

Some Hon. Members: Oh, oh!

Mr. Speaker: Carry on with your petition.

Mr. Hewlett: Mr. Speaker, I have a petition from forty-six residents of Green Bay, one having signed being a resident of Grand Falls, but from the surname was originally a resident of Green Bay. The prayer of the petition is as follows: Because an expenditure freeze in the health care system will mean layoffs and bed closures, we, the undersigned residents of Green Bay, petition the hon. House of Assembly not to approve such a freeze.

Now, Mr. Speaker, this was the very matter that the hon. the Minister of Health felt so uncomfortable about a few moments ago. We are seeing cuts in the

hospital system, students are cut, single mothers are cut, everybody is being cut, Mr. Speaker, including fishermen who cannot pay the mortgages on their boats.

Now, Mr. Speaker, the health care system in Springdale was told to prepare an impact statement with regard to the effect of a freeze on that system in Green Bay. The net result of that was that the administration went through its number crunching, called together its workers and indicated to them that if a freeze is imposed, this is what we think a freeze means. In that particular case it is twenty-four senior citizens beds, the only two childrens' beds at the local hospital, and approximately twenty employees laid off.

Now, Mr. Speaker, in the Public Accounts Committee this morning we dealt with health care, and I questioned the Administrator of the Clarendville Hospital as to the impact of the freeze. The word must have gotten out from Government, Mr. Speaker, 'do not talk about the freeze.' Because, to his credit, that administrator was extremely discrete and circumspect in what he would say with regard to that particular freeze in his particular town.

But in Green Bay, Mr. Speaker, it means \$600,000, \$700,000 taken out of the local economy. It means that twenty-five people have to die at the senior citizens' home before there is one new admission. And this is the great small 'l' liberal Government that the hon. Premier spoke about.

Some Hon. Members: (Inaudible).

Mr. Hewlett: Mr. Speaker, I am saying what I am saying because

the people of my district have petitioned me to say it. And that does not make me a fool. When the hon. Minister of Social Services stands in this House and says that the editor of the local newspaper in Green Bay is with him on this, that makes him a fool, not me, Mr. Speaker.

Now, Mr. Speaker, this is a Liberal Government that said when it was in Opposition that closing of hospital beds and nursing home beds even for the summer on a temporary basis, was a social crime. And here we have now cuts that will probably be permanent for a number of years at least. And in Green Bay it is twenty jobs, twenty-six beds in total, \$600,000 to \$700,000 out of the local economy.

Mr. Speaker, I table this petition and ask that it be sent to the Department to which it relates.

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

Mr. Decker: Mr. Speaker. I want to speak to the petition presented by the Member for Green Bay. I usually like to support petitions when they are genuinely presented by Members, no matter which side of the House they are on. However, I have a little bit of difficulty in supporting the petitions which are being presented by the Member for Green Bay because I have learned, and I have been advised, of the kind of games that the hon. Member is engaging in. The hon. Member from Green Bay has approached various town councils in the district and has written up petitions and asked them to sign them. I know one council in particular which has refused to involve itself in this silly game.

But to allay the fears of the people in Green Bay who are suffering because of this fearmongering on the part of their Member, Mr. Speaker, I would like to say to them that the Department of Health is engaged in a process. There are sixty-one hospital and nursing home boards which have presented to the Department of Health suggestions as to how they will deal with the problem we are having in the Province today. The vast majority of the hospital boards have not gone public with their suggestions that they have made to the Department of Health. Some of them have gone public, and that is their right. I am not arguing that, Mr. Speaker.

And as the hon. Member pointed out in his petition, the report which came in from Green Bay suggested to the Department of Health that in order to keep their budget approximately the same as it was last year, one possible way to do it would be to make some cutbacks in the nursing home and in their hospital out there. Now that is merely a suggestion. The final decision will be made by the Department of Health.

And Mr. Speaker, we might come back and say, we are not satisfied with closing twenty-four beds in the nursing home. It might be more advantageous, for example, to totally close the hospital in Springdale and keep all the beds open in the nursing home. That is another scenario which I am sure the hon. Member can run out now and fearmonger with. Another suggestion might be that we totally close down everything in Springdale and build it all up in Sheppardville. We are simply looking at ways and means that we can deal with this problem, Mr.

Speaker. We are considering every single option.

But the hon. Member tries to make a great big political thing about this. He is going out fearmongering, frightening people, right at this time of the year, frighten them to death so they do not if they are going to have their jobs or not. He is just simply trying to make political points. Unfortunately, I would like for him to cut this out and send back to his people. He is not representing them properly in this regard, he is simply -

Mr. Speaker: Order please!

Mr. Decker: - creating unnecessary -

Mr. Speaker: Order please! Order please!

I remind the hon. Member that it is not Parliamentary to say that a Member is not representing his constituency properly.

Mr. Decker: Mr. Speaker, I would withdraw that and say that the hon. Member is representing his constituency to the best of his ability, Mr. Speaker, I will say that.

Now, Mr. Speaker, what I have said in this petition I stand by. The hon. Member is circulating blank petitions to various town councils in Green Bay.

Some Hon. Members: (Inaudible).

Mr. Decker: No, I have never done that. Some of them, Mr. Speaker -

Some Hon. Members: (Inaudible).

Mr. Speaker: Order please!

Mr. Decker: - are not falling into this silly trap. The vast majority of them are not. But what the hon. Member is doing is fearmongering. We are simply working through a process and most of the hospital boards are cooperating. I think all of them are. But one or two in the system chose to go public and give their suggestions. But the Department of Health might not accept their suggestion, and in some cases we might accept suggestions of our own which will not be as acceptable to each individual community. But looking at the overall picture of Newfoundland and Labrador we have to decide where we are going to deliver the health care services for all of our people, Mr. Speaker.

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

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

Mr. Speaker, the arrogance of the Minister of Health -

An Hon. Member: Spews out of him.

Mr. Rideout: - just spews from one part of this House to the other. Mr. Speaker, the Minister of Health has a very short memory when he talks about members in this House soliciting petitions from their constituents. It was only just three or four years ago, Mr. Speaker, that that same Minister used to come in with a petition - stick on to your seat there now -

Mr. Simms: Do not get anxious.

Mr. Rideout: - on road conditions in his district, Mr. Speaker.

Mr. Decker: On a point of order,

Mr. Speaker.

Mr. Rideout: Sit down and don't be a fool.

Mr. Speaker: Order, please!

I would ask hon. members please to restraint themselves. I think hon. members engage in too much debate in petitions. And hon. members will know that they have an obligation to follow the rules, as well as the Speaker has an obligation to enforce the rules. And I want to remind hon. members of our Standing Order 92 which says 'Every member offering a petition to the House shall confine himself to the statement of the parties from whom it comes, the number of signatures attached to it and the material allegations it contains. In no case shall a member occupy more than five minutes in so doing, unless by permission of the House upon question put.'

The point of the matter is that we cannot debate in petitions. There is another forum for that.

Also the hon. Leader of the Opposition used unparliamentary language when he called the hon. Member a fool. I will ask him to withdraw it, please.

Mr. Rideout: I did not realize it was unparliamentary, Your Honour, and in all humility I will withdraw it.

Mr. Speaker, I was just replying to a couple of points made by the Minister of Health in his debate on the petition, and reminding members, especially those of us who have been here for a while, that it was only two or three years ago that very same Member, Mr. Speaker, used to rise day

after day, week after week, I think it ran into several weeks, if not into a couple of months, presenting petitions, street by street on some roads in certain towns in his constituency, and, Mr. Speaker, they just kept flowing in. I suppose he would want us all to believe that -

Mr. Decker: Were they solicited?

Mr. Rideout: Yes, Mr. Speaker.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

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

Mr. Rideout: They were solicited, because I was told by the mayor of Roddickton that they were solicited.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

An Hon. Member: I saw them.

Mr. Rideout: I saw them too.

Mr. Speaker: The hon. Minister stood on a point of order. I will just see what the point of order is.

Mr. Decker: Mr. Speaker, the hon. Leader of the Opposition is misleading this House. I never did solicit a petition in my life.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

To that point of order. There is no point of order. There is nothing in the rules of the House that says an hon. member is guided by certain restrictions in getting

a petition. And an hon. member can solicit a petition or he might not solicit a petition. But for one hon. member to say that one hon. member solicits and for him to deny it, there is no point of order.

Mr. Rideout: Absolutely, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Rideout: And the Minister should be asked to withdraw the word 'misleading' too, I think, Mr. Speaker.

But anyway, Mr. Speaker, the point is I say to the Minister he did solicit petitions because I saw the letter, Mr. Speaker, where he asked for them.

Mr. Decker: On a point of order.

Mr. Speaker: Order, please! A point of order.

Mr. Decker: Mr. Speaker, the hon. Leader of the Opposition is misleading this House. I did not solicit petitions.

Mr. Speaker: Order, please! I am going to ask the hon. Member, please, to not stand again. To accuse somebody of misleading the House is not a point of order. And the Chair is going to have to exercise its authority when a member stands up abusing points of privilege to make personal points.

Some Hon. Members: Hear, hear!

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

Mr. Rideout: Mr. Speaker, I am going to ask my research staff, it might be back three years or so or whatever, but I have a copy of the

letter, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Rideout: The minister solicited petitions, and that is nothing new, Mr. Speaker.

Mr. Decker: A point of privilege.

Mr. Rideout: Mr. Speaker, you said you were going to settle him down.

Mr. Decker: Mr. Speaker, on a point of privilege.

Mr. Speaker: Order, please!

A point of privilege.

Mr. Decker: Mr. Speaker, an hon. member can say things inside the House that he would not normally say outside.

Mr. Simms: Don't be so foolish.

Mr. Decker: However they can be reported outside this House.

Mr. Simms: Stop wasting the Member's time.

Mr. Decker: What the hon. Member is saying now, is clearly a reflection on my integrity -

Mr. Rideout: That is right, because you solicited petitions and I know it.

Mr. Decker: - he is making a statement which is misleading, which is unfounded, Mr. Speaker, and I believe that my privileges are certainly being taken away here, because the hon. Member is making statements which will be carried outside this House and will reflect on my integrity and my honour.

Mr. Rideout: But they are true, but they are true.

Mr. Decker: I never did solicit a petition.

Mr. Rideout: But they are true.

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

Mr. Simms: Mr. Speaker, unfortunately the Minister has probably done what he set out to do in the first place, because he knew he was going to get lambasted and that is, he has risen on three or four points or order, spuriously, to use up the five minutes the Leader of the Opposition has to speak in the petition. That is all, nothing more, nothing less.

Unfortunately, that is what is going to happen here, Mr. Speaker, that is precisely what the Minister has done. However, the point I want to make, this is certainly not a point of privilege, no question of that, I don't even have to argue that, but I would like Your Honour to reflect on your last instruction to that particular Minister, that Member. Your Honour asked the Minister not to rise in his place again, not to rise in his place again, Mr. Speaker, whether it was on a point of order or a point of privilege. It is spurious and that was the point of Your Honour's ruling, and I think the Minister should be named and be ejected from this House, for deliberately abusing those rights and privileges.

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

Mr. Baker: To that point of privilege, Mr. Speaker, very

briefly.

I would ask Your Honour to research the protections which members have in the House, in terms of their character. We understand, Mr. Speaker, that in this House, members have protection and they can get up and make statements from which they are protected of any consequences of those statements.

But, Mr. Speaker, that is to allow free expression of information, free exchange of information in this hon. House and to allow the House to operate as it should, so there is no constraint on a member when, in terms of lawsuits and possible losses, the member can speak freely and openly in this House so that decisions can be made on a proper basis.

What I would like to ask Your Honour to research is: what has been happening quite frequently and consistently in this House is that a member feels he has a right to get up and make a statement that bears no resemblance to the truth, and continually say these things that bear no resemblance to the truth, and assume that that is part of the parliamentary process.

Now, Mr. Speaker, I put it to you that the protections under Privilege and Order that are built into the Standing Orders and that are built into the custom of debate, that these rules and procedures have a high motive and the motive is to allow the proper functioning of Parliament and to allow proper information to be presented, and should not be used as a protection for incorrect, untrue statements -

Mr. Rideout: How do you know they are not true?

Mr. Baker: - which are continually made under the guise of parliamentary protection.

Mr. Speaker: Order, please!

Mr. Rideout: I am saying it is true.

Mr. Speaker: The Chair has heard enough to rule.

Mr. Simms: I might offer a reference for Your Honour which has not been done in years.

Mr. Speaker: Unless the hon. Opposition House Leader thinks he has something new -

Mr. Simms: Yes, I have something new.

Mr. Speaker: - well, I will hear the hon. the Opposition House Leader.

Mr. Simms: Just very briefly, Your Honour. I do not mean to interrupt Your Honour in that sense, but there have been two speakers to the point on this side. It is a point of privilege which has been raised, one on this side -

An Hon. Member: Why don't you sit down?

Mr. Speaker: Order, please!

Mr. Simms: I did sit down. One on this side, Mr. Speaker, but neither of us, including myself had offered Your Honour any references. I just want to offer one reference to you, which is one that the Government House Leader frequently uses when he tries to combat a point of privilege raised from Members on this side of the House. For Your Honour's edification, Beauchesne's sixth

edition, paragraph 31 (1) says quite clearly: "A dispute arising between two Members, as to allegation of facts, does not fulfill," - does not fulfill - "the conditions of parliamentary privilege."

So there it is, Mr. Speaker, pretty cut and dried, and I am glad the Government House Leader spoke because it gave me a chance to remember what he often uses himself.

Mr. Speaker: The Chair regards points of privilege to be very serious, as should all hon. members, but as was said in the past, by many, many Speakers, Members should not abuse the points of privilege to get up and make some kind of point, or to use a point of order, although very often it is done. But one can get to the stage where it just slows down the progress of the House and the House does not get anywhere. Now, hon. members ought to know that a point of privilege relates to a member's rights, and even though sometimes a member may make an allegation of something that is inaccurate, or close to inaccurate, that these matters become matters of debate and they are not matters of privilege. Sometimes the statements may even be inflammatory and offensive but they are not matters of privilege, and many times they are not even matters of points of order. The Chair can only say again to hon. members, that for the decorum of the House, and for the smooth and harmonious operation of the House, that hon. members try to restrain themselves and observe the rules as well.

The petition is over, the time is gone.

O O O

Mr. Speaker: Oh, I am sorry, I did not see the hon. member. Will we revert back to petitions? Back to petitions.

The hon. the Member for Eagle River.

Mr. Dumaresque: Mr. Speaker, I might also request leave of the House to present this petition because it is a FAX copy and not in the ordinary -

Mr. Speaker: Order, please!

Is the hon. Member saying there is something irregular about his petition? Could I hear that again?

Mr. Dumaresque: It is faxed in, Mr. Speaker, as opposed to the original document, and I would ask leave to present it.

Mr. Speaker: If the House accepts, fine.

Mr. Dumaresque: Thank you, Mr. Speaker. The prayer of the petition is: Therefore we the citizens of Cartwright do petition the Government of Newfoundland and Labrador to make available to the town council of Cartwright the funds that are required in order that equipment can be purchased in time to be shipped to the coastal boats before the shipping season closes. The problem, Mr. Speaker, that the 352 residents who signed this petition find themselves in, is that they are unable to have the snowclearing equipment in place this year to be able to complete their snowclearing requirements. It has come to the community of Cartwright and all along the Coast of Labrador much earlier this year than usual and

they are now trying to grapple with the situation. The equipment they have in that particular community is some twenty years old and last year they had to spent \$10,000 or \$15,000 of their own money to repair it. It is in a state of disrepair and certainly they may be able to put it in place with some extra funding - that they do not have right now. I would submit, Mr. Speaker, that all possible options be looked at to see that this equipment is in working order so that the snowclearing can be done this year, and therefore in doing so the school bus would be then permitted to operate and function, that the road to the hospital and airport, and all other such services that are essential to the functioning of that community be allowed to be carried out. Mr. Speaker, I hope that the request that is coming in to this Government will receive close attention and every possible thing can be done to see that this public service is given to the community of Cartwright for this Winter.

Thank you, Mr. Speaker.

Mr. Speaker: The hon. the Minister of Municipal and Provincial Affairs.

Mr. Gullage: Mr. Speaker, I would like to speak to the spirit of this particular petition. Cartwright, of course, along with a lot of other communities in Labrador have particular difficulty because of the location, particularly the distance away from accessing equipment. The fact that available equipment to help out and assist, as in other parts of the Province, the Island portion of the Province in particular, is

not readily available. Certainly, I am very interested in the spirit of this petition and the fact that they have a problem at this moment and would like us, I would think, as a Government and as a Department in particular, to consider the piece of equipment that they presently have on hand, which is inadequate, certainly, if it is fifteen years old, no doubt it is in such shape now that it is probably unrepairable and probably will not last too much longer in any case.

Mr. Speaker, throughout the Province, at this time of the year, we get a lot of requests for repairs to equipment and accessing equipment, additional equipment needed, and we try wherever possible to have municipalities, particularly in these tough times, co-operate with one another and share equipment. Of course we are doing a lot of that now with the amalgamation procedure in any case, where we are encouraging communities whether they are amalgamated or not to share their equipment and share their services.

That is difficult to do in Labrador. I am not really sure what equipment is available from other departments of Government, other agencies that might be nearby, but certainly we would like to look at that as well. Because from time to time we are able to access equipment to use on a shared basis with that particular agency, whether it be the Federal Government or one of our own departments or whatever, and if not on a shared basis, certainly from time to time equipment is available that can be purchased at a reasonable price.

Mr. Speaker, I would like to support the spirit of the petition

and would assure the Member that we will certainly look into it immediately and see if we can come up with a solution. Thank you.

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

Mr. Warren: Thank you very much, Mr. Speaker. I am surprised that only today my colleague for Eagle River would bring that petition into this House. The hon. Member was made aware of this problem two weeks ago, Mr. Speaker. In fact, where some children live two or more kilometers from the school, the school board is making arrangements to use skidoos to get the kids back and forth.

Now, Mr. Speaker, I would say the minister would have no trouble finding the money. All the Minister has to do to find the money is get rid of the vehicle that is being used by the Recovery Commission in Happy Valley Goose Bay. That money belongs to the coast of Labrador. It is just a matter of getting rid of that vehicle and taking the money and putting it into Cartright to keep the road opened. That is all you need do.

Some Hon. Members: Oh, oh!

An Hon. Member: That is in southern Labrador, boy. Don't be yacking when you do not know what you are talking about.

Mr. Warren: You see, Mr. Speaker, how upset they get when you give them the facts. Now, let me say to my hon. colleague and also to the Minister, that it is essential he have that done for the people of Cartright, for the nursing station, and their school. It is essential the Minister have it done now. Not next week or

tomorrow, but have it done right away. And, Mr. Speaker, I would think it has already being done. And seeing the smile on my hon. colleague's face, action has already been taken and the petition is actually after the fact.

Mr. Speaker, let me say to my hon. colleague that I support the petition. However, it shows that the people on the Labrador coast are beginning to feel pinch of this Government cut. And there are going to be more cuts by this Government if we do not keep on top of it. But I congratulate my hon. colleague. The one thing I have to give him credit for is working on behalf of his constituents. And let me assure him that all he has to -

An Hon. Member: That is more than he can say for you.

Mr. Warren: Mr. Speaker, I would say to my hon. colleagues who just shouted across the House, any day at all, if they feel they want to come down to the District of Torngat Mountains and try to take me on, we will see who will win. That is all I have to say, Mr. Speaker. I support the petition.

Mr. Murphy: (Inaudible) ask Kevin.

Mr. Warren: Who?

Mr. Parsons: It would not be classed as a challenge if it were to take place in St. John's South.

Orders of the Day

Mr. Baker: Motion 3, Mr. Speaker.

Mr. Speaker: Motion 3. The hon. the Minister of Finance.

Dr. Kitchen: Mr. Speaker, I wish to inform this hon. House that I have received a message from His Honour The Lieutenant-Governor.

Mr. Speaker: To The Honourable The Minister of Finance:

I, the Lieutenant-Governor of the Province of Newfoundland, transmit supplementary estimates of sums required for the Public Service of The Province for the year ending the 31st day of March 1991, by way of supplementary supply and in accordance with the provisions of The Constitution Act 1867, I recommend these estimates to the House of Assembly.

Signed.....
Lieutenant-Governor.

The hon. the Minister of Finance.

Dr. Kitchen: Mr. Speaker, I move that the message together with the amount be referred to the Committee of Supply.

Mr. Speaker: The motion is that I do now leave the Chair and that the House resolve itself into Committee of Supply to discuss the resolution and the bill.

On motion, that the House resolve itself into Committee of Supply to consider a certain resolution, Mr. Speaker left the Chair.

Committee of Supply

Resolution

That it is expedient to introduce a measure to provide for the granting to Her Majesty for defraying certain additional expenses of the Public Service for

the financial year ending the 31st day of March, 1991, the sum of thirty million nine hundred and thirty-five thousand eight hundred dollars (\$30,935,800).

Mr. Chairman: The hon. the Minister of Finance.

Mr. Simms: Mr. Chairman, if I might, I want to stand on a point of order before we get started, one I confirmed with the Government House Leader.

Mr. Speaker: Order, please!

The hon. the Opposition House Leader.

Mr. Simms: I just want to confirm that the speaking time is as has been the practice and tradition, the minister gets fifteen to introduce, the critic gets fifteen to close, and then it is ten back and forth, as we do always in supply debates. Is that the President of the Council's understanding? It is my understanding from the Table, I have already checked it. I just want to make sure so that there is no misunderstanding.

Mr. Baker: My understanding is that by agreement we can do that. But what we have been doing is something quite different.

Mr. Simms: No, not in Supply.

Mr. Baker: Okay. So we can, by agreement then, follow the regular rules.

Mr. Simms: Ten, ten. Ten, ten

Mr. Baker: Yes, okay.

Mr. Simms: Except for the minister and the critic who would have fifteen at the beginning.

Mr. Baker: Sure. Okay.

Mr. Simms: Thank you, Mr. Chairman.

Mr. Chairman: The hon. the Minister of Finance.

Dr. Kitchen: Thank you, Mr. Chairman. It is with great pleasure and pride that I rise here today to look for some extra money for the Department of Development to carry out the great work for which it was established. I want to refer to Bill No. 66, which we are discussing, to indicate that we are looking for the amount of \$30,935,800 more than was approved in the Budget. This amount is broken into three headings. One is an amount of \$27,630,000, and I wish to address that one at some length now. The other two amounts are \$2,600,000, which I shall comment on as well; and an amount of \$705,800. These are the three amounts which comprise the total of close to \$31 million.

Mr. Chairman, the \$27,630,000 in turn is broken into two amounts: an amount of \$10 million which NLDC or the Newfoundland Development Corporation Limited needs to continue for the year in its loans program; and \$17,630,000 to redeem bonds.

I wish to indicate to hon. members of the House that these bonds will have to be redeemed by November 16. So there is some urgency, if members agree, in approving this bill, in order that we will not have to take other methods to handle the problem. But it has to be handled by November 16, which is the time the bonds are due to be redeemed.

Now I would like to explain that

we are changing the method by which NLDC is financed, and for a very good reason. The method that was in place was a very bad method. It was instituted several years ago by the members opposite, and it turned out to be a very inappropriate, expensive method of operating. We are now going to revert to the way it was before, whereby the NLDC budgets its money and goes before the House in the regular way. That is how we will be doing it.

Now let me explain what was done several years ago. Several years ago, the Newfoundland and Labrador Development Corporation was given the authority to sell bonds to the Newfoundland public, and it did so. It offered an issue of Newfoundland and Labrador Development Savings Bonds to the Newfoundland public, and the citizens of Newfoundland bought these bonds. Now that sounds like a reasonable proposition except for several things. First of all, the interest rate offered was higher than the normal interest rate that was current, and as a result, this is an expensive way to raise money. Anyway, that is what was done.

The public of Newfoundland could buy these bonds the money that was raised from the bonds provided the money for the Newfoundland and Labrador Development Corporation to lend to the businesses and enterprises it had agreed to finance. Some of that money was put out in long-term loans at rates of interest, and others were put out in different forms of loans, some in equity loans, or venture capital loans, on which there would be no interest paid for seven years. Now, that was the method.

Then, when the next year came, the Development Corporation would go again; every November they would go to the public and look for another issue of bonds. The people who had the original bonds had the option at the end of the year to redeem the bonds if they so desired, so the Newfoundland and Labrador Development Corporation had to do two things: it had to raise enough money to redeem the amounts that people wished to redeem and, in addition, raise additional funds to finance their next year's activities. That happened once, and it happened again.

The second year they raised money to finance what people wanted to redeem, and then they had to raise additional money through the bonds to finance their ongoing program. Each year, the amounts to be raised increased, and I have some figures here to indicate just what was going on. In 1987, the first issue, something like \$8.7 million worth of bonds were sold. The next year, \$15.7 million were sold, including more than \$1 million in redemptions, which left about \$14 million for the operations of the NLDC financing program. The third year they raised \$23.5 million, of which over \$8 million had to be used for redemptions, leaving about \$14.9 million for their ongoing program.

An Hon. Member: Was that 1989?

Dr. Kitchen: Yes, that was 1989. This year, they ran into a problem. Because the market in Newfoundland for bonds is only so large, and with the anticipated redemptions plus the amount of money that NLDC needed to finance its capital operations, the bond brokers who were handling this indicated that they would have

trouble selling that amount of bonds. What was happening was an accumulative amount; we had to borrow more and more every year until the market was flooded, if you like, and we just could not sell them. So this had to be changed. It also should have been changed even if it had not had to be changed, and I want to get into that in a moment. It should have been changed anyway.

Now, what we are going to do now is this. NLDC has virtually no money now, because their year is up November 16. The \$10 million is to enable them to continue operations until the end of March. Then, of course, they will budget in the normal budgetary process for any extra money they need for next year, for the next budget year, going from April 1 on down to the end of March. So that is that.

In addition, we need money now to redeem the 17.76, or whatever it is, million dollars worth of bonds that have been presented for redemption. We must have that money to redeem. We are not having a new bond issue, so that means we have to find the money to redeem the bonds. That is an extremely good procedure, and let me tell you why.

What had been going on was what we call non-budgetary borrowing. Those of you who have your budget documents left over from last year might be interested in knowing how this is shown in the budget document. Page 11, Exhibit 5, shows the public sector debt and, as you know, this totals about \$5.2 billion. Included in that is the Provincial direct debt of \$4.6 billion, and then the Crown Corporation debt, the utilities - that really means Newfoundland and

Labrador Hydro, the Housing Corporation, the municipalities, and other. And hidden away in 'other' is NLDC's amount they borrow.

Now what it means is this. That this method of operation, of financing through bonds, means that we are borrowing money without it going through the budgetary process. You see? So if we keep going the way we have been, what we will be doing is borrowing money without going through the budgetary process. If Government wants to borrow money now, it goes in as part of capital or current and it is right up front, everybody knows what the budget surplus or deficit is on current and capital account. But this was a way of borrowing money without showing it in the public domain, through the budget. There was nothing particularly dishonourable about it, but it was hidden away there under 'other'. It did appear under the total public sector debt, but it did not go through the budgetary process, which means that the people in the House of Assembly could not approve or disapprove or ask penetrating questions about it as you would about a budget.

In my view, it is not an appropriate way to borrow. It is sort of like blindfold the devil in the dark. We did not borrow just x millions, we borrowed x plus NLDC borrowings but we hid that away. And that is not right. I believe we should be right out in front, we should not be doing any cute accounting, or any of this type. I believe we should be right out in front with the public, here is what we need to run this Province. And we can argue and debate about it, but at least the public is informed.

So for that reason I am generally opposed to non-budgetary borrowing. Possibly in some cases, but not in this particular case, where it is merely used to finance the usual operations of Government.

And the second reason, Mr. Chairman, that we are opposed to this is the cost. The Province can borrow at, on the average, two percentage points less. We can pay two percentage points less in interest than we were paying these people who were buying NLDC bonds. We were borrowing from people and paying them on the average 2 per cent more than we could borrow on the capital markets, and that means that the people who were borrowing from NLDC, these businesses which needed the funds, in turn were paying more than they need have paid.

Now if we could borrow for 2 per cent less we could have charged less. And that would mean that the businesses could be more viable, or NLDC could do more work. So we feel that this particular method - let me have a few details on that, this extra cost I dug out a few ideas about as to the actual cost of the borrowing, and just let me indicate why it cost more.

I indicated, first of all, that the interest rates - we had to pay a seller's commission of 1 per cent to the people who are sort of selling the bonds to the individuals because they have to. And that is usually a higher commission than we would have to pay for Government financing. And in addition to that the administration cost of all these bonds - we have a bond vault downstairs where people had to

keep track of all the bonds. Bill so and so from so and so had a \$100 bond, you had to make up a check for him every so often and keep track of it. And there were a number of small purchasers, which is good. But most of the money was held in the urban centres. The vast bulk of the money was in the urban centres, but there were a lot of people with a small amount of money out there.

So, the administrative costs were pretty horrendous. The first year it cost us \$275,000, the second year \$380,000, the next year \$426,000, just to administer the bonds. And we had to enlarge our computers to handle that sort of thing, to assign sections of the computer to that. They had marketing, advertising, brochures going out at about \$100,000 a year. They used to have a dinner for the stockbrokers and the people who were involved to make them feel good and so on. Go out and red hot the sale and so on. All very good. And then the NLDC itself had to hire an extra person or so to handle the situation, and in the bond vault itself, which comes under the Department of Finance, we also had to assign personnel to handle all that. So, the total -

Mr. Chairman: Order, please!

The hon. Minister's time has elapsed.

Dr. Kitchen: Thank you, Mr. Chairman. I will carry on later.

Mr. Windsor: If the Minister wants another ten or fifteen minutes we have no objection provided I can take the same if I wish, and I may not take that. I would like the Minister to

continue, he is making a good presentation.

Mr. Chairman: The hon. the Minister of Finance by leave.

Dr. Kitchen: I want to thank the hon. Member for extending me this opportunity.

So the expenses were heavy. For the first year the total costs were \$276,000, the next year, 1988, was \$378,000 and the third year, \$427,000. That is still a fair amount of money. And then by the time we had all the costs and so on, it worked out that if you added the cost into the interest that was paid, the effective cost of borrowing in 1987 was 12.4 per cent, the effective cost in 1988 was 12.92 per cent and the effective cost in 1989 was 13.33 per cent. Whereas on the other hand the Province could have borrowed in 1987 not for 12.4 but for 11.87, which is only marginally less. But the next year we could have borrowed for 11.11, which is 1.81 per cent less and then in the third year, had the Province borrowed this money instead of NLDC, by over three per cent less. So on the average it cost us more than two per cent to work at this method. Now, by changing into the other method, now we will be able to borrow the money in a cheaper fashion and be able to presumably lend it out at more appropriate rates. I hope that is how it works.

The other problem we have with it is that there is a better way to handle this. Whatever expertise there is in Government in borrowing, is in the Department of Finance. We have people down there who are in tune with capital markets on a daily basis around the world. That is what they do.

In the international markets they are in contact with security firms all around. They are in contact with the banks in Japan, France, Switzerland, and Britain. That is what they do. We have personnel down there, as you know, who specialize in that. There is no need of another area of Government also getting into that borrowing bit. That is our specialty in Finance and we should be doing the borrowing. All the borrowing should be done through, and with the help of the Department of Finance. Now the other problem with it was that not only was it costly and sort of deceitful, the way it was put on the balance sheet, not really open as if you were debating in the House of Assembly, but it is no good for business either. It was not the best way for business and enterprises to be treated. As I mentioned before, the NLDC have a number of programs. Their chief program is a loan program, a long-term loan program, in which they charge pretty well competitive rates with banks and other organizations, but some of it, as I mentioned before, is a seven year interest free venture capital, or a seven year time where they pay no interest and then the interest kicks in, which is a great thing. That is a good program as well.

I do not want to criticize the particular programs that NLDC have, but when you borrow, and we had to charge back these higher interest rates that we had to pay, the unnecessary costs, this meant that the businesses had to pay more than they need to have paid. We could have helped more people, or helped the ones that we did in a better way, if we had not had to carry that extra 2 per cent. The other thing about it is this,

every year the rate changed, because you see, the rate for the bonds changed. The first year, as I mentioned, the rate was 11 per cent and so on, it varied from one year to the next, so the business that was borrowing was never sure just what they would have to pay. Most businesses would like to have a fixed rate for a number of year, a five year term, whatever it is, at 10 per cent, 12 per cent, or whatever the percentage rate is. It enables you to plan. It is better if you can have a fixed rate rather than a fluctuating rate. Then the other point, of course, is the uncertainty of supply, from the point of view of, will the money be there? It depends on how many bonds were sold and things of that nature. By controlling it in the House of Assembly you can put a certain amount of money there and the NLDC knows, the members of the House of Assembly know, the Government knows, and so on. But putting it off on a Crown Corporation beyond the direct control of Government means that we are not sure that the Government's program is being handled appropriately, so it is not the best thing for business.

I would like to say that this program: I will not say it was a flop because it was not, it was a good program, but it could have been handled a lot better. It was not as bad as Sprung but it did cost us unnecessary funds, and that really bothers me, because it is part of the fiscal mismanagement of the people opposite, the fiscal irresponsibility, the same extravagance that we have been used to, the stretched limos, the helicopters. This is part of the thing, they did not care about the public's money. What the heck odds, boys, 2 per cent more, who

cares. It is the same mentality that put up with the unfunded \$2 billion liability in the pension funds. They did not care.

Some Hon. Members: Oh, oh!

Dr. Kitchen: Do you want to call it off, or can I continue? I will let them take over now. I will speak later.

Mr. Speaker: The hon. the Member for Mount Pearl.

Mr. Windsor: Mr. Speaker, I am disappointed in the Minister. He was doing fairly well, and this is why we voluntarily gave the Minister leave to carry on, because we wanted to hear his explanation. We wanted to hear him at least try to explain all these additional funds, but since he is not going to deal with that yet, I am going to wait until he does deal with it before I get into any response dealing with enterprise development, or the economic recovery team, and the extra monies that are required for that. I am anxious to hear the Minister's explanation of that.

All he has dealt with yet is the second item, the Enterprise Development Loan Fund. What he is talking about - I will explain to the hon. gentleman for Labrador, because he obviously needs some explanation and so does the Minister, I should say - although for the first time since the Minister has come into this House, he has been reasonably well briefed on this particular issue. What he is talking about, Mr. Speaker, is the Development Savings Bond that was initiated by the previous Administration in 1987. Now, the Minister makes many valid points, I do not quarrel with any of the numbers

that he is bringing forward, no doubt they are accurate, no doubt they are compiled from the records of that program over the last number of years, and the interest rates are favourable, interest rates are paid, Mr. Speaker, to Newfoundlanders and Labradorians, to private investors, and one of the objectives of this program was to give Newfoundlanders and Labradorians an opportunity to invest.

What we are competing with here are Canada Savings Bonds, and that is why the rate is slightly higher, and I remind hon. Gentlemen opposite the Government of Canada can borrow at a more favourable rate than can the Government of Newfoundland, and so the difference between the Canada Savings Bond rate that they are paying to Canadians and the rate at which they are borrowing would be, I would suggest, about exactly the same as the difference between the rate charged by the Government of Newfoundland and Labrador or the Newfoundland and Labrador Development Corporation for their bonds versus what the Government could borrow its money at, there is a 2 or 3 per cent difference.

An Hon. Member: (Inaudible).

Mr. Windsor: Obviously. The hon. Gentleman asks, but why would you pay the 2 or 3 per cent difference? Two reasons, Mr. Speaker. One, because we are not borrowing in Japan or borrowing in Canada or more appropriately for the Newfoundland Development Savings Bond, we are borrowing in Newfoundland. We identified three or four year ago that Newfoundlanders and Labradorians are sending about \$400 million a year to Bay Street.

Newfoundlanders and Labradorians have their money invested in Guaranteed Income Certificates, in Savings Bonds, in Insurance Policies. Where is the money going? Toronto. None of it is staying in Newfoundland, most of it being administered outside of Newfoundland. You have a couple of agents here in Newfoundland, but most of the administrative cost is being gained by persons in Toronto and other parts of Canada, but primarily Toronto, the financial centre.

And so the second objective was to stop this drain of money out of Newfoundland and Labrador, and I would suggest to hon. Gentlemen opposite, I would suggest to the Minister of Finance, that 2 per cent is a small price to pay to keep that money in the Province. There are very large economic benefits to having that money circulating in the Province.

An Hon. Member: Recommended by the Economic Council.

Mr. Windsor: It is recommended by the Economic Council, my colleague reminds me, quite accurately in fact. It was one of the recommendations which came from the Economic Council and the rate that is being paid is just slightly, I believe, the Minister may correct me, I suspect it is about 1 per cent higher than the rate being paid by Canada Savings Bonds.

Mr. Noel: How do we derive more benefit from Newfoundland money than from imported money. If we could get it cheaper from the mainland, is there something special about money that Newfoundlanders have?

Mr. Windsor: You are talking

about borrowing money from the mainland, paying for it. I am talking about money that comes from rural Newfoundland, the Minister says, most of it from urban Newfoundland, I accept that. But Newfoundlanders money, instead of it going out of Newfoundland, it stays here, it is circulating in the economy, it is invested in other businesses in Newfoundland.

Mr. Noel: (Inaudible) if the Government has to pay higher interest in order to have that money instead of Toronto money, what is the benefit to Newfoundland?

Mr. Windsor: Government has to borrow the money anyway. That does not change, okay.

Mr. Noel: Yes, but there is no better deal because you are borrowing Newfoundlanders money.

Mr. Simms: You sound like Sharon Carstairs, stop yelling.

Mr. Windsor: Big benefits. Is the hon. Gentleman sitting there and telling me that he cannot see the benefit of keeping \$400 million a year in the provincial economy?

An Hon. Member: Explain it to us, explain it to us.

Mr. Windsor: If he cannot see that Mr. Speaker, I will not waste any more time on it.

Mr. Noel: I am asking you to illustrate it.

Mr. Simms: It is worse than we thought. We thought it was only the Minister of Finance (inaudible).

Mr. Noel: As I understand it the Canadian dollar is a Canadian dollar, from whichever province it comes.

Mr. Windsor: I said the objective is to try to reduce this \$400 million down. In the first year, it was \$8.7 million, we were extremely pleased, and by the way, the Minister talks about doing it by back doors. Press conferences with the Minister of Finance and the Minister of Development, public issues of Newfoundland Savings Bond is hardly trying to borrow through a back door.

The program was well announced, well publicized, we are selling something, we are selling, we are trying to convince the people of Newfoundland and Labrador, for God's sake have some confidence in your own Province.

That is what this program is all about, the same as the Newfoundland Stock Savings plan will come to, another great program we initiated about five or six years ago which has had tremendous benefits to this Province for the same thing. It also attempts to keep Newfoundland money here. The money we are getting at is no risk money. This is the money that senior citizens, who have money invested in things like guaranteed income certificates, as my mother has. Her sole source of income is her little pension and any interest that she earns off her guaranteed income certificates. She can not afford to risk them by investing in a pizza parlour on Duckworth Street or something, and I use that not to be derogatory by any means to pizza parlours or anything else.

Some Hon. Members: Or shoe stores.

Mr. Windsor: But not to invest it in something that is risky. Okay? She and many Newfoundlanders can not afford that. People just do not want to gamble with their money, but they would like to get a reasonable rate of return. That is why people buy Canada Savings Bonds. But they are buying Canada Savings Bonds and they are sending that money to Ottawa. By buying Newfoundland Savings Bonds they are leaving the money here in Newfoundland and Labrador; it is staying in our economy, not going out of the Province. And I am sure I do not need to tell the Minister of Finance or the President of Treasury Board the benefit of keeping money circulating here in the Province. And the Stock Savings Plan parallels this programme. That gives businesspersons an opportunity to invest larger amounts at favourable rates of return. It subsidizes that far more than 2 per cent. The Newfoundland Stock Savings Plan will give subsidies up to 50 per cent.

Mr. Noel: (Inaudible) than they would have gotten by investing in Toronto.

Mr. Windsor: Now is this the next programme we are going to see cut? Because what we are seeing here, Mr. Chairman, what this Bill is announcing, is that Newfoundland Savings Bonds will no longer be available. That programme is being eliminated by this Bill. The Minister confirms that. Will the Minister tell us when he gets to his feet again, will the Newfoundland Stock Savings Plan now be eliminated?

An Hon. Member: (Inaudible).

Mr. Windsor: Stock Savings Plan? The Stock Savings Plan is up to 50 per cent (inaudible), it is an expensive programme. If you are going to say that by giving this out it is going to cost us \$20 million or whatever is invested in that programme, you are absolutely right. But let us weight the economic benefits here.

Some Hon. Members: (Inaudible) benefits to small companies.

Mr. Windsor: Benefits to small and to large companies. But the benefit does not go to them. Not from the Government. The Government subsidy. We are getting into a different program now, but it bears some time to explain the difference here to hon. gentlemen, since they have the interest to ask the question.

The Newfoundland Stock Savings Plan is a programme whereby you and I can invest in a small company that is not listed on the Stock Exchange but it is done through a stock savings plan. And if that is a company that is in category one, you and I will immediately receive back 50 per cent of our investment. So if you invest \$1,000 you will get a cheque in a couple of weeks time signed by the Minister of Finance, I believe it is.

An Hon. Member: (Inaudible).

Mr. Windsor: That is right.

An Hon. Member: (Inaudible).

Mr. Windsor: Oh! I am talk about the investor here. The investor gets back \$1,000.

Mr. Noel: The evidence of the Quebec Plan was that it artificially built up companies

that later went down.

Mr. Windsor: Oh yes?

Mr. Noel: It gave them easy money in order to get started, and they did not have the sufficient foundation to carry on and a lot of them collapsed.

Mr. Windsor: Our program is completely different from the Quebec Plan. It was modeled largely after the Quebec Plan, and we looked at a number of plans. Our program gave us more protection in that regard but it also was more generous. We had to be more generous. Again because not only are you and I not wanting to take a great risk with our money, and obviously we are attracted to this \$500 cash we get back, we still own \$1,000 worth of a company. The company may go bankrupt, we may lose our \$1,000, but we are only risking 50 per cent now because we got \$500 back immediately. But the company now has access to cash - okay? - which it may not be able to borrow on an open market, because they are not listed on the Stock Exchange anyway, these are small companies, and so that company has an opportunity to borrow, or to sell shares basically, in Newfoundland and Labrador. And so the money stays in there, the principle stays in there. They are only paying the interest. So the cost of borrowing or financing that money, the cash flow, is improved for that year. And there are tax credits associated with it, as the Minister of Finance points out. A tremendous benefit.

An Hon. Member: (Inaudible) going to pay less in Toronto (inaudible).

Mr. Windsor: Yes, there is. Because that money is staying in

Newfoundland, okay? You are selling the bond -

Mr. Murphy: (Inaudible) in Newfoundland.

Mr. Windsor: If that Newfoundlander did not buy that Newfoundland Savings Bond - we are back to Newfoundland Savings Bond now I see, for the record, for Hansard, for those in history who will read this great debate. But, I say to the Member for St. John's South, if the Newfoundlander buys \$1,000 worth of Newfoundland Savings Bonds, that is \$1,000 staying in Newfoundland. If he were to invest that in a Canada Savings Bond, that is \$1,000 going to Canada.

The 2 per cent difference, I suggest to the Minister of Finance, that it costs the Province of Newfoundland - alright?

Dr. Kitchen: (Inaudible).

Mr. Windsor: Yes, the Minister is right. We can borrow money in Switzerland or Japan. We are subject to money markets now, do not forget. Alright? The Minister shows the records of the last couple of years. I point out that the money markets have been very stable over the last couple of years, particularly the Japanese market and the Swiss market, where we have been borrowing. And I also agree with the Minister, who is saying that some of the people in the Debt Management Division of the Department of Finance are some of the best public servants we have. They are great people, they have done a tremendous job in that area. So we have been very fortunate.

But that money borrowed in Japan could very well turn over and be very expensive money. And so could the money in Switzerland. So you are subject to fluctuation in rates. When you borrow in Newfoundland, you are not subject to that fluctuation. Now let me be honest. The rates could also go down, of course, in the outside borrowing, and that is the gamble. There is that element of risk there.

Mr. Murphy: That (inaudible) still carries 2 per cent.

Mr. Windsor: That (inaudible) is still 2 per cent. Assuming everything is equal, it is still 2 per cent. What I am saying to you and to the Minister is that the Province is well served by that 2 per cent. If you can keep that money in Newfoundland, circulating in our economy, there are real benefits to the economy of having that money continuing and not sending it on to Ottawa.

An Hon. Member: But the other money is in here circulating the same way.

Mr. Windsor: Yes, we will bring the money in but that money is going out.

An Hon. Member: And the 2 per cent (inaudible).

Mr. Windsor: And we are much better off. And the Newfoundlander and Labradorian who is investing is getting a better rate than he or she could get elsewhere.

Mr. Noel: At the expense of the taxpayer.

Mr. Windsor: Yes, but the taxpayer is also benefitting. I

do not intend to stand here, Mr. Chairman, and argue with these people, obviously. The whole concept is above their comprehension. Let me simply make the statement that there are direct benefits, very clearly benefits, that can be quantified.

An Hon. Member: We can have (inaudible) still argue (inaudible).

Mr. Windsor: Well, obviously you do not. The Minister has officials who will, I am sure, at your request, explain the situation to you.

Some Hon. Members: (Inaudible) we don't dot it anymore.

Mr. Windsor: Mr. Chairman, let me deal now with the concept of coming in in the middle of the year and asking for \$17 million for this purpose and \$10 million for the loan programme. That is \$27 million for this aspect that is being asked for now by way of Supplementary Supply.

Mr. Chairman: Order, please!

I would like to interrupt the hon. Member. It is 4:00 p.m. and I have to announce the questions for the Late Show.

Some Hon. Members: By leave.

Mr. Windsor: I don't need to leave, thank you.

Some Hon. Members: Oh, oh!

Mr. Chairman: Order, please!
Order, please!

The first question is to the President of Treasury Board. The hon. Member for Harbour Main is dissatisfied with the answer on

the Consumer Affairs offices in Goose Bay and Grand Falls.

The second question is: I am not satisfied with the Premier's answer to my question about retroactive amendment of the Social Assistance regulations. The hon. Member for Humber East to the Premier.

The third question is: I am dissatisfied with the answer given on Student Aid cutbacks by the Minister of Education, and it is from the hon. Member for Green Bay.

The hon. Member for Mount Pearl.

Mr. Windsor: Thank you, Mr. Chairman. As I was saying, \$27 million is being asked for here in the middle of the year. Is this a great revelation that has just come about, that Government has now decided to do this? And for what benefit? Is it because we can't sell those bonds? No. We have a new Chairman, I must say a very distinguished Chairman, too. Certainly fills her role extremely well.

Mr. Chairman, it is not because we can not sell these bonds, because there has been no attempt to sell them. Admittedly the market is weak, but I would suggest to the Minister that there are still many thousands of Newfoundlanders and Labradorians, as is evidenced by the growth - we have moved from 8.7 million to 15.7 to 23.5. So there has been a constant growth. And I would suggest to the Minister he could very easily raise \$30 million this year through this. Now he probably would need to do that, because a certain number would want to be redeemed. They are not all to be redeemed.

Now what the minister is now doing is saying we are going to buy back all of those bonds. In other words, people have no choice but to redeem them, because they are not available for sale any more. Whereas if they could very simply be rolled over for another year and another year and another year, many people would be very happy to leave their money there and simply collect on their interest. So there is an opportunity to raise this money directly by the bond issue.

The Government has made a decision they could have made at Budget time, so that provision could have been made in the Budget. What we see now, half way through the year, is that this Government is now in a panic situation. They need money, the minister says, by November 16 in order to redeem the bonds that are outstanding - \$17,630,000 the minister has to have. He does not have to have it, he can simply say, oh, we will roll those over, we will allow those to be purchased again at similar rates. And as well for the additional \$10 million. I am sure there would be no problem in raising the \$27 million required by NLDC this year, and that is what we are talking here: \$10 million for their loan program, and \$17 million of roll over, or additional money.

So this is \$27 million more now that the minister has to go to the market for. So, obviously, our borrowing now will increase. Our borrowing program which is already, I think, the largest in many, many years, is now going to increase by another \$27 million. But why was this not part of the Budget process? Is this a decision that has just been taken? If so, why was it left so

late to be rushed in here, Mr. Speaker? There has been ample opportunity.

An Hon. Member: Could it be a change of practice, Mr. Chairman.

Mr. Windsor: A change of practice?

An Hon. Member: (Inaudible).

Mr. Windsor: Oh, sure. This is a decision that needs to be made at Budget time. This is not the kind of decision that one should be making in the middle of the year, this is the kind of decision that is a major budgetary decision. It impacts on your whole borrowing program. It impacts on the prospectus of the Province. It is a decision that should be made as part of the overall Budget process, and not come in by way of Supplementary Supply. Supplementary Supply is designed to deal with issues which arise beyond the control of Government, which are unusual, and which require urgent action by Government, is it not?

An Hon. Member: Good timing (inaudible).

Mr. Windsor: They have to be bought by November 16, or they are redeemed or rolled over. In other words, borrowed again.

An Hon. Member: (Inaudible).

Mr. Windsor: No, you leave them there and you continue to pay the interest rate. That is all. Rolling over in other words. Some people will cash in their bonds and some will not. Probably out of the \$17 million, people with \$13 million or \$14 million will say no, I do not want to cash them, extend them for another year. So it is rolled over for

another year, and you just continue paying interest. Three or four million may well be redeemed anyway. There may be some people who want to take their cash out, but you would pick up, you would sell new bonds.

An Hon. Member: (Inaudible).

Mr. Windsor: If they leave the interest in there. Oh, sure. That is just part of the \$17 million you are borrowing. That is all. That is nothing earth-shattering. But it is an opportunity for the minister to borrow \$27 million. The point I am making is that it is money borrowed not only in Canada, it is borrowed in Newfoundland. There are benefits of borrowing in Canada dollars, as the minister knows.

There is a well-staged program in the Debt Management Division as to how much borrowing we do in Canadian dollars, how much we do in US dollars, and how much we do in foreign markets. And we have had an opportunity in the last several years to do some borrowing in foreign markets, the most favourable being the Swiss market. I did \$150 million, I think, issue two years ago, and the minister did \$100 million, and Japan has been good as well. I did one in Japan and the minister I think has recently done one in Japan for \$100 million.

Mr. Chairman: Order, please!

The hon. member's time has elapsed. He has had equal time now with the minister.

Mr. Windsor: I have had equal time? The same amount of time as the minister had?

Mr. Chairman: Yes.

Mr. Windsor: That is okay. I will have many more opportunities. I am anxious to hear the minister try to explain \$2.6 million for Enterprise Development and an extra \$700,000 for the Economic Disaster Team.

Mr. Chairman: The hon. the Minister of Finance.

Dr. Kitchen: Thank you, Mr. Chairman. I would like to continue a little bit with some remarks here. I would like to clarify a couple of points the hon. member raised. One, to say a few more words about who borrowed this money. I did mention that if you look at the total number of investors, the rural component is there. But if you look at the amount borrowed, it is basically urban. In fact, 82 per cent of the dollar value was purchased in urban areas of the Province, and about 57 per cent of the number of bonds were purchased in the rural areas. So small bonds in rural areas, but basically the money was borrowed from well-to-do individuals in the City of St. John's. And what the 2 per cent really did was give us subsidy; it subsidized the people who were putting up their money. Now, we can subsidize the rich if we want to or we can pay money out in social assistance.

For my benefit, if I had that two per cent I would have better ways to spend it than to giving a bonus to the people who do not really need it. That is not the way to spend Government money according to the way the Liberals do it. Now that may be the way the Tories would like to do it, to give to them who have and take it away from those who have not. That is

not our way. And this is why we must put our financial House in order, so we can spend our money in the appropriate Liberal way not in the Tory way. And this is a Tory method of raising funds.

Now, then, one more point I want to raise on that one. The member says we give 2 per cent extra to keep the money in Newfoundland. I am sure that if we gave them 3 per cent, we would have even more borrowed, or 4 per cent, and that would be more money circulating, or 10 per cent. Why don't we pay 20 per cent more on the bonds, or 50 per cent more, or 100 per cent more, or 200 per cent more? The more you give them, the better we are off. The last time I heard that argument made, the Member is no longer in the House of Assembly, she is now running for City Council. Remember? Enough said. But that was the thing: the more you spend, the better we are off. That was the way. The more money Government spends, the better off the country is. That is the basic point that he is making and it has been made before. It is the Tory line.

What we have to do here is be careful with the people's money. It is not our money. It is not my money. It is not your money. It is the money of the people who pay the taxes, the people of the Province. And taxes are hard to pay. Gosh, it is very difficult to pay taxes. I do not like paying taxes. I hate paying taxes. I wish to dickens I did not have to pay taxes, and I am sure everybody here present would like to lower the tax burden. But this is another way of taxing the people of the Province by wasting money.

Now, the other point I want to

make is this, that these bonds - and I want to just clear up that point - that in addition to the 17.7, there is another twenty-odd million out there yet which has not been presented for redemption, and it may very well be that sometime these will be presented for redemption, maybe this year, in the next quarter. The original idea about the bonds was that they were all five year bonds. They are all five year bonds, but the person who holds the bonds can redeem them at the end of the year, every November 16. What we have done is given them the option to redeem on November 16 or three months from there, or three months from there for this year, at the moment. Maybe we will extend it for three months forever, and that enables people to -

An Hon. Member: (Inaudible).

Dr. Kitchen: Because we did not want to absorb all these bonds immediately. But it could very well be that if everybody presents their bonds for redemption in February, we may just have to come back with another Supplementary Supply for up to \$20 million to redeem those remaining bonds. It is unlikely that this will occur to that extent, but it may very well occur, and I think it is appropriate for me to indicate that now.

An Hon. Member: What is the total value of the bonds outstanding?

Dr. Kitchen: Wait now. Let me get the exact amount here, if I can find it through all this old stuff I have here. I think it is \$20.3. The total amount altogether was up to \$38.4. \$38.4 and take off \$17.7, whatever that is, that is what is outstanding.

I think that is about all I would like to say about that particular point. But I could wax firmly about this wastage of Government money. It really bothers me to have to pay more than is necessary for any particular service, and to pay 2 per cent more than we could borrow in Canada - actually it is a bit more than 2 per cent. It works out on the average, I think, to 2.21 per cent more we paid than we need to have paid had we borrowed in Canada, or perhaps even more if we had borrowed from outside Canada. But that is the point.

Now, I would like to say a few words about some of the other items there. There is an item there on the Economic Recovery Support Team for \$705,800. For the Economic Recovery Team we budgeted \$2.128 million and now we want to provide them with another \$700,000. I would like to give some details about that. That can be broken down into two components, that \$705,800. One is \$480,000 for existing and anticipated initiatives. Now, what is that? Well, during the first seven months of the year the Economic Recovery Team spent about \$600,000 in small grants to twenty-eight businesses and development projects, small amounts of \$20,000 and \$30,000, in that order, things for which there were no specific program, except that the Economic Recovery Team could do that.

An Hon. Member: How much?

Dr. Kitchen: About \$600,000. Just under \$600,000.

An Hon. Member: Grants?

Dr. Kitchen: Grants, yes. They had submissions on hand of about

\$80,000 and they anticipated that similar requests would be coming in through the remainder of the year for perhaps another \$400,000. So we added \$400,000 to the \$80,000, and we got \$480,000 which would fulfill their anticipated needs for the remainder of the year. Now, that is that part.

Then there is another \$225,750, and I would like to say a few words about that. These were extraordinary items for which the Economic Recovery Commission has become responsible. What were they? Well, one was a Board of Trade program of which \$50,000 had already been advanced up until the first seven months, and a \$150,000 remainder. This would trigger a corresponding ACOA grant to enable the Board of Trade to conduct an inventory of opportunities in the Province.

Mr. Windsor: Sorry. What was that, \$150,000 for ACOA?

Dr. Kitchen: No. There is \$200,000 for the Board of Trade. In the first seven months \$50,000 had already been paid, which leaves another \$150,000, and that \$200,000 would trigger \$200,000 from ACOA. So for \$200,000 we get \$400,000. That is \$150,000 of the \$225,000.

In addition, the Economic Recovery Advisory Board had a shortfall of \$30,000; they needed another \$30,000 to last them the rest of the year. This was basically a staff person they had to help them do their work. Then the other \$45,000 or \$46,000, \$45,750, were year-end audit adjustments, which meant that there were financial commitments outstanding at the end of last year. As you know, where contracts and other commitments

had been made, at the end of the year money that if left over, of course, was chopped off and that means that they had to come up with that for this year. So, you add the \$45,000, the \$30,000 and the \$150,000 and you get \$225,750. Then you add that to \$480,000 and you get \$705,750. I think I will stop there and come to the next item after.

Mr. Chairman: The hon. the Member for Mount Pearl.

Mr. Windsor: Mr. Chairman, I have to say that the Minister never ceases to amaze me. The Minister just stood here in the House of Assembly and said that he is cancelling this program because too many fat cats in his own district of St. John's Centre have been given subsidies through this program. That is what he just said. Now, that is a message from a defeated member if I ever heard one. I am hearing rumours that he is about to resign, Mr. Chairman, and they must be true. The pressure must be getting to him. The heat is on now and he is really starting to feel the heat. I am hearing rumours he is about to resign, and now I know it must be true. Because nobody would ever say that -

Mr. Simms: I hope not. He is a big advantage for us.

Mr. Windsor: I hope not. The minister is the best member we have over here on this side.

An Hon. Member: No, one of the best.

Mr. Windsor: But, Mr. Chairman, what a thing to say about his own constituents. He has just admitted that it is this Government's policy to

discriminate against those from urban areas who are paying their own way in society, who are those, if the minister would look at his provincial revenues, who pay the largest share of provincial revenues, the ones who pay the largest personal income taxes and the largest corporate income taxes, and now he is going to discriminate against them for that an take away any opportunity they might have to invest in their own Province. He does not want Newfoundland money to stay in the Province.

Well what a revelation, Mr. Chairman. He would rather send this money to Toronto than keep it in Newfoundland, keep it working here in our Province, and give Newfoundlanders and Labradorians an opportunity to invest. I just cannot understand that kind of logic, Mr. Chairman, at all. And for a minister to admit that to his constituents! I might even send a flyer out tomorrow. I might get a hot copy of Hansard tomorrow and send it all around St. John's. This is the Liberal philosophy of how to deal with businesspeople and anybody who might have a dollar to invest. It may not be businesspeople. How about a little old lady down in St. John's Centre who has \$100 that she wants to invest. She is one of the fat cats the minister is talking about that don't need the help from Government, I suppose. She is going to be delighted to hear the minister's statement, I am sure.

Mr. Chairman, the minister told us that there is really \$38 million outstanding, and so the \$17.7 million I assume is an estimate of what will be redeemed this year, and it may go up or down. Okay, I can accept that.

Mr. Chairman, the Economic Recovery Commission, the minister has finally broached that subject. There is an interesting topic. An extra \$700,000 on top of the \$2.1 million. It is a 35 per cent increase. In fact, it is worse than the minister's bungling of the Budget overall, his \$130 million mistake he has made, \$705,600, some of which he has explained. Extraordinary items for the Board of Trade. I do not know if they could have been predicted or not. If not, we do not have a problem with that sort of thing. These are the sorts of things that arise, and no doubt it is a good program for the Board of Trade.

And \$30,000 for an extra person for the Advisory Board. I thought we were cutting back in Government, but now we have \$30,000 here to give an extra staff person to the Economic Recovery Advisory Board. At a time when we are laying off in hospitals, schools, and everywhere else, we are going to add now, through Supplementary Supply, over and above what the Board estimated it needed at Budget time, we are going to tack on more, an extra staff person. No doubt they need them. I would be the last one to suggest that a commission, if they were doing anything - we have yet to be convinced that they have done anything, but if they were doing anything, that they would not need some additional staff.

Year end audit adjustments - I do not have a problem with that. Those things occur. That is beyond the minister's control. But \$480,000 for existing and anticipated initiatives. Now, Mr. Chairman, I think it was two weeks ago that I stood in this hon. House in Question Period and put a

question to the Premier. I asked him then would he table for us a list of all the projects financed through the Economic Recovery Commission and the number of jobs created and otherwise, details of those projects? I have yet to have an answer. I do not know if the minister will undertake to get me an answer to that question in the Premier's absence. The minister was not listening, I will say it again. Two weeks ago I asked the Premier, and he undertook, to provide information relative to the projects financed by NLDC or by the Economic Recovery Commission - really NLDC, because, as I pointed out at that time, Mr. Chairman, all the Economy Recovery Commission is is another agency on top of NLDC which was working very well, thank you, before the Economic Recovery Commission. The Economic Recovery Commission has added nothing. There are no new funding programs, they are simply carrying on with the programs NLDC always had.

The Premier undertook to give me the information of what projects had been financed, how many jobs were created, and specifically how many jobs, if any, were created by the Economic Recovery Commission that would not have been created anyway by NLDC. I think he will be hard-pressed to find one. I think he would be hard-pressed to find one job that has been created because of the Economic Recovery Commission. Not one, outside the ones in the Commission offices themselves. Those are there. But, Mr. Chairman, \$480,000.

I also pointed out during that Question Period that information had come to me that these new offices of Enterprise Newfoundland - great name. I do not know how much it cost us to come up with a

new name - these new offices were now distributing funds, or at least making commitments over and above the allocation that had been voted in the Budget. I should be fair and say it was not denied by the Premier at the time and the Minister, although it was not confirmed.

An Hon. Member: (Inaudible) the minister.

Mr. Windsor: Now it is confirmed that commitments have been made by the branch offices of the Economic Recovery Commission for which there has not been a budgetary appropriation, and that is why the Minister is back now - an additional \$480,000. The Minister says no to that?

Dr. Kitchen: (Inaudible).

Mr. Windsor: Oh. The Minister's words were existing and anticipated initiatives. They are not commitments, no. But there are people out there, I say to the Minister, many of them out there, who have been told yes, this will qualify for our program. And the Minister has also told us that many of these are initiatives for which there is no specific program. So this all-powerful agency, Mr. Chairman, has been given a free hand. They are out saying yes, we will fund that. I cannot make a commitment because we do not have the money yet. I do not have the money yet. We have to ask the Minister of Finance to go back for Supplementary Supply in the middle of the year to get an additional half million dollars for it. We do not have a program either, by the way.

There was no program ever approved by the House of Assembly, no

debate in the House of Assembly, nothing even announced by Government that says this particular initiative can be funded. But do not worry about that, we will go back and the Minister of Finance will trot off to the House of Assembly and get approval for another half million dollars for it. That is really the essence of what is happening here. No program, no prior funding, no firm commitment. I will give the Minister that. I am sure these public servants are too shrewd to make commitments for which they do not have any Budgetary appropriation.

But I can assure you and I know for a fact that there are many, many companies out there who have been assured that the funds would be made available to them, and on the strength of that they are sitting back waiting now, waiting to proceed with projects for which they were assured funds would be made available and then they were told sorry, we approved more than we have and we cannot let you proceed now until we get more money from the House of Assembly. That is why we are here now with this Bill, and that is why there is such an urgency to introduce this piece of legislation to the House of Assembly at this point in time.

I would suggest to you, Mr. Chairman, in fact, that the development savings bonds is a smoke screen here. That is why the Minister introduced it first. It was only a smoke screen to cover up what is taking place under the auspices of the Economic Recovery Commission. That is really what we are here for, because there are many businesses out there who have commitments, quasi-commitments, promises, who

have been told yes, we will fund it as soon as we are given some money. And the Minister does not have the money.

Where is my poppy? I better pick that up before someone takes a picture. I cannot be standing here in this Chamber at this important time of the year without my poppy, with due respect to my Sergeant-at-Arms here.

Mr. Chairman, I want the Minister to tell us -

Mr. Chairman: Order, please!

The hon. Member's time has elapsed.

Mr. Windsor: Thank you, Mr. Chairman. Maybe, though, the Minister will tell us why the Commission has over-extended itself by \$480,000?

Mr. Chairman: The hon. the Minister of Finance.

Dr. Kitchen: Thank you, Mr. Chairman.

My understanding is that the Economic Recovery Team has not committed any money for this \$480,000 extra, they need that in order to continue their program; they have applications in of \$80,000 already awaiting funding, but they will not be funded if we do not pass it. And there is no harm done in the sense of commitments broken, but they need another \$480,000 to continue this helping out of very small businesses - \$3,000 here, \$4,000 here, \$20,000 here, \$30,000, but that is about it.

Mr. Windsor: Could you give us a list of those?

Dr. Kitchen: What I would rather

do, if you do not mind, if this continues - I do not know if the Minister of Development will be here, but he might be able to explain the projects.

Mr. Windsor: Will he be here tomorrow?

Dr. Kitchen: I think he will be here tomorrow, will he?

An Hon. Member: Who?

Dr. Kitchen: Chuck Furey.

An Hon. Member: Yes, I think so.

Dr. Kitchen: I would rather he did it, as I am not too familiar with what is going on under each of these programs. If not, I will do the best I can if this continues tomorrow. If not, I will do the best I can whenever I have to.

That is as far as that particular point is concerned. And I will say the indications are from information which has been given to me that these are very useful, very worthwhile expenditures. Now I know that is not factual information, it is just a value judgement which has been passed along to me, that these little projects the Economic Recovery Team does, not for a large businesses, for small businesses here and there, getting help here and there, are very useful and very appropriate and hopefully we will be able to get you more information.

Mr. Chairman: Order, please!

It being close to 4:30, I wonder would the hon. Member move that the Committee rise.

Dr. Kitchen: Mr. Chairman, I move

that the Committee rise, report progress and ask leave to sit again.

On motion, that the Committee rise, report progress and ask leave to sit again, Mr. Speaker returned to the Chair.

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

Mr. Chairman (Barrett): Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report progress and ask leave to sit again.

On motion, report received and adopted, Committee ordered to sit again on tomorrow.

Mr. Speaker: Being Thursday, it is debating the motion to adjourn. The first item I have is from the hon. the Member for Harbour Main, stating his dissatisfaction with an answer on Consumer Affairs offices in Goose Bay and Grand Falls.

The hon. the Member for Harbour Main.

Mr. Doyle: Thank you, Mr. Speaker. A few days ago, I asked a question of the Minister of Justice, a very straightforward question, as to whether or not it is the intention of Government to close out completely the Consumer Affairs office in Grand Falls and the Consumer Affairs office in Goose Bay, or either of them, because as Members are aware, as the Minister of Justice is aware, the office in Grand Falls has been downgraded.

We are told that the consumer representative who had been staffing that office, with the

help of a secretary, has now moved to the Department of Labour and that office in Grand Falls is presently being staffed by just the secretary, no Consumer Affairs representative in the office at all.

In so far as the office in Goose Bay is concerned, the consumer representative who had been there has moved from that particular office and has now gone to the Department of Social Services. There is not even a secretary in that office, it is being served right now by a code-a-phone. So I am wondering if it is the intention of Government to close out both these offices or either of these offices.

In addition to that, I am informed by the Member for Humber East that the office in Corner Brook, and I was not aware of this until only a few moments ago, has one officer and a secretary. A second officer apparently was approved during the Budgetary exercise, and it was announced by the Minister of Justice that there would be a second officer, a second Consumer Affairs representative placed in that office, but we find now that that particular position has gone by the wayside, it has been scrapped. So we have seven Consumer Affairs offices in the Province, three in St. John's, one in Gander, one in Grand Falls, one in Corner Brook and one in Goose Bay.

I am wondering at this point in time, with the downgrading of these two offices, if it's the intention of the Government to close up all the Consumer Affairs Offices in the Province as a cost cutting measure? I do not think that should be done, Mr. Speaker. This is a very, very

difficult time for the consumer, and I do not believe there was ever a time in the Province when the consumer needed more access to consumer representation than what he needs right now. I am hoping that it is not the Government's intention to do that as a cost cutting measure, as one of their cutbacks. There are certain areas, Mr. Speaker, that the Government just does not cut back in, and I believe that is one of those areas. I want whoever is going to respond to this question, with respect to the Grand Falls office and the Goose Bay office, in particular, are these people going to be replaced, these two consumer representatives who have moved to the Department of Labour and the Department of Social Services? We see the Ombudsman's office gone, and that was a very important office. We saw the Parliamentary Commissioner's Report tabled today in which the Ombudsman dealt with approximately 900 complaints. Now, it seems to me, Mr. Speaker, that is a downgrading of the institutions that provide protection to the average person, that provides protection to the average consumer, and places the average consumer at the mercy of big companies, and what have you. We see gas prices going through the roof so who is going to be the watchdog for the consumer in these particular issues? I would think, and I would suggest to the Minister, that people will be looking to these consumer representatives, and these consumer offices, to provide some type of protection for them. So, I ask the Minister, I guess it will be the President of Treasury Board, to try and explain this, and if it is happening to reverse the situation.

Mr. Speaker: The hon. the President of the Council.

Mr. Baker: Thank you, Mr. Speaker.

I am very pleased to respond to the question, and I am sure that when I am finished the hon. Member will be perfectly satisfied with the answer he will get. Dealing first of all with the three instances that he now mentioned: I believe in the original question there were two instances and now there is a third one. In terms of Goose Bay there was a Consumer Affairs Office in Goose Bay with one officer and a secretary. Both of these individuals applied for, on internal competitions, positions that are in fact promotions. They applied through the regular process and both were successful, and they now occupy new positions within the public service. These positions were in fact promotions. In Grand Falls, I believe it was three weeks ago, the officer there did the same thing and he is now working with social services. I believe it is a promotion, he has more responsibility, and is now receiving more money, and so on. These were normal movements. The secretary is still in Grand Falls, so there are those three vacant positions. I am not familiar with the Corner Brook situation. My understanding is that the office still exists there, as it has for the last number of years, and I understand that the Corner Brook office services a fairly large number of complaints in comparison with the offices in Goose Bay and Grand Falls. These were very low volume offices.

An Hon. Member: Are these people going to be replaced?

Mr. Baker: I am getting around to

that. In Goose Bay they did put a code-a-phone in and it has been minimally used since it has been put in. That is the explanation for what happened. There are two more parts to the question. First of all, are these positions going to be replaced? I cannot say at the present time whether they are or not. When positions become vacant within departments some of them are filled, some of them are not, and some of them it takes time to fill. I think members opposite are very familiar with the measure that they brought in in terms of the enforced 7 per cent factor in terms of the salary factor and quite often, especially when you are halfway through a year and positions become vacant, Departments consciously, in order to live within their guidelines, leave positions vacant for longer periods of time because of that enforced factor of 7 per cent. So I am not at this point in time certain it is part of that situation or whether the Department is in fact reviewing the Consumer Affairs Offices. I honestly do not know. All I know is there is no decision, which comes to the next part of the question. There is no decision to close down the Consumer Affairs offices around the Province.

Mr. Simms: No decision?

Mr. Baker: No decision has been made to close them down on -

An Hon. Member: Not being looked at?

Mr. Baker: I do not believe it. I am not knowledgeable of any instance where it is being looked at, no. And I do not know what is internally going on, in terms of the Department of Justice and their budget predictions for next

year, and that is the reason I am being very careful with it. Because in fact they may indeed come in and say this is one of the services we want to cut back on. I do not know. But I can assure hon. Members that at this point in time it is not something that we have talked about or considered or have people actively consider.

Mr. Speaker: The next is the hon. the Member for Green Bay stating his dissatisfaction with the answer given on Student Aid cutbacks by the Minister of Education.

The hon. the Member for Green Bay.

Mr. Hewlett: Thank you, Mr. Speaker. Mr. Speaker, I took this matter up this week in the absence of my colleague from St. Mary's - The Capes. I think it was the week before he had raised this matter in Question Period and asked the Minister if Student Aid policy had changed and that no longer would a threshold limit of three courses have a student considered to be full-time and therefore eligible for a full amount of grants.

As I said I took the Minister up on this matter earlier this week, and to be quite honest with you it was very difficult to understand exactly what the Minister was saying at the time. He glossed over the matter, he tried to portray the matter as a continuation of existing Government policy. So much so that after a question and a couple of supplementaries I let the Minister go and somebody else took up questioning on another subject matter.

But I carefully studied Hansard when I received a copy Mr. Speaker

and I discussed it with the President of the Student's Union at Memorial University. And he had, at the beginning of our conversation, understood that the matter had been cleared up to the student's satisfaction, or he expected a phone call very shortly to that effect. However when I discussed with the President the wording that the hon. Minister had used in the House he was quite concerned because it was contrary to the understanding that he had about the situation.

Doubly difficult for the President of the Student's Union, Mr. Speaker, was the fact that he sits on the Student Aid Advisory Council and nowhere in the deliberations of that Council had there been a motion put forward or a major discussion on the Student Aid Programme with regard to matching exactly the grant allowance to the number of courses that one was taking.

I also had a phone call come into the Opposition office around this time from a person at the Women's Resource Center on campus, and I discussed the matter with that person as well. She was extremely upset with this Government in general because she had been hit a couple of times already - a couple of measures including the cutback in maintenance payments by the Minister of Social Services have struck her financially very recently, and then all of a sudden she found as well not taking a full course load of five courses, she found that the Minister of Education had struck her financially as well. So she was extremely upset that the cutback in Student Aid was only exacerbating the problem that she had had brought to her attention by the Minister of Social Services.

So Mr. Speaker, having discussed the Hansard with these two people I again, in the absence of my colleague the education critic, rose in my place the following day and again questioned the Minister of Education. My opening question was along the lines of, will the Minister admit that there is an actual, real policy change on the part of Government with regard to this matter? The hon. the Premier was in his seat at the time, nodded and indicated across the floor, yes.

The hon. Minister when he spoke, I think much to the hon. Premier's surprise, said no. So we had some variance of view. I think the hon. Premier, to be fair to him, knew there was a policy change and given the great pride he takes in being honest with this hon. House, I think the hon. Premier decided to say yes, it was a policy change. But the Minister answering contradicted the Premier and went on to say it was again a continuation of existing policy.

Computerization of the student aid system has now made it feasible to check on the status of a student at any given moment of any day or any day in any week. And you can check on the status of the student on the basis of grants applied for and given and courses actually taken, and adjustments are easily made because of the speed that computers operate with at the end of a given semester. So therefore, the Government had, the Premier was correct, had changed its policy because of the computers available to the Department of Education, the Government had changed its policy and has abandoned the concept of three or more courses making a full time student, therefore being eligible for a full grant. The

Government has abandoned that policy and is using the new computers to police the student aid system much more stringently and to the detriment of the students who are not taking a full five course load.

Mr. Speaker, I have said it many times in this Assembly and I will say it again, this Government is not a small 'l' Liberal Government. It has a deficit problem and it is trying to solve that problem on the backs of single mothers, electrical rate payers, now, Mr. Speaker, students at Memorial.

The Sunday Express had a scathing editorial with regard to this Administration last weekend, Mr. Speaker, and referred to them I think in rather sarcastic terms as "Sunshine Liberals".

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

The hon. Member's time is up.

Mr. Hewlett: Mr. Speaker, they promised sweetness and light and they brought about cutbacks and bitterness.

I thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

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

Dr. Warren: Mr. Speaker, I am delighted to respond to that question, because I met with the Newfoundland Federation of Students on Monday. I met with the President of the Student Council this morning. And the hon. Member must be stunned, if I were not in the House of Assembly

I would say he is stunned. Everybody else understands the change. There was no change in policy. No cutback, Mr. Speaker. None whatsoever. And the students know the game that he is playing. I have his news release here. They know the game that he is playing.

Some Hon. Members: Hear, hear!

Dr. Warren: They know what he is doing, Mr. Speaker. We increased student aid tremendously this year. Let me tell the House, because we announced the things in the summer, let me tell the House what we did this year, we increased bursaries in the Budget to students who have to travel. We increased the scholarships.

Some Hon. Members: Hear, hear!

Dr. Warren: We tripled the number of scholarships. We increased them for the first time in twenty years. We increased the scholarships from \$600 to \$1,000.

Some Hon. Members: Hear, hear!

Dr. Warren: Here is what we did in student aid. Let me just list it, in case the hon. Member did not hear what I said, we increased the student aid to single students with dependents and married students from \$1,250 a semester to \$1,600.

Some Hon. Members: Hear, hear!

Dr. Warren: A 28 per cent increase. Do you know when the last adjustment was made, Mr. Speaker, under the former administration?

An Hon. Member: When?

Dr. Warren: In 1977 they

increased it. Not a change in the grant since 1977.

Ms Cowan: 1977?

Dr. Warren: And do you know what they increased it by? Fifty dollars.

Some Hon. Members: Oh, oh!

Dr. Warren: We increased - hold on now. We increased the student aid for regular students from \$1,000 to \$1,120, a 12 per cent increase. We changed the way student aid is paid so students would get it on a weekly basis. So students who are not at university would get the full year's credit. We defined independent students. We opened that up a bit. We increased day care allowances.

Some Hon. Members: Hear, hear!

Dr. Warren: We increased the book allowances. We increased the room and board allowances. We gave students who were doing graduate work outside of the Province more money. We put a new computer system in so that students can get access to their files and find out where they are.

Some Hon. Members: Hear, hear!

Dr. Warren: Mr. Speaker, we put the Student Aid Appeals Committee in place - re-established it - they did not do it. Mr. Speaker, we hired in the Student Aid Division a public information officer. We have a member of the private colleges on the Student Appeal Board.

An Hon. Member: (Inaudible).

Dr. Warren: We have renovated for the first time in years, we have

renovated that office over there. It is a pride to go into it. The people are happier. They are providing better service because we have renovated the office. We provided privacy rooms. We painted up the place. We had a visit from a president of a students council from Saskatchewan this week. The President of the Memorial's Student Council told me, he came in, he said he was delighted to see what we had in this Province. We are ahead in the kind of resources we have to serve students.

Mr. Speaker, I am delighted with what this Government has done in the last year and a half. And let me tell the Opposition, we may have a period of a lull in the next year, but we are going to do more, Mr. Speaker, to make it possible.

I admit one thing, the adjustments that were made this year were made because we have an efficient service in place. We reduced the grant precisely the same amount as the tuition was reduced. The tuition was given back to the students in a refund, or they did not pay it, exactly the same amount. There was no cut in student aid, there was no change in policy. In fact we have tremendously improved the student aid policy in this Province, and we are going to do more. It is just the beginning, to help those who need help in this Province, Mr. Speaker.

Thank you, very much.

Some Hon. Members: Hear, hear!
Hear, hear!

Mr. Speaker: Order, please!

The hon. the Member for Humber

East.

Ms Verge: Thank you, Mr. Speaker.

The Minister of Health, speaking in debate last week, said that his Government had temporarily abandoned its campaign platform in health. Evidently the Minister of Education is now saying that they have temporarily interrupted their progressive student aid program. The Minister of Social Services has not had the grace to admit that there has been any interruption in a progressive plan for improving social services. He is still stubbornly defending the cut in social assistance to single parent families as having been right and just, and even fair. The Premier follows that line. Evidently, the Premier does not realize that equality is not achieved, or even furthered by downgrading people to the lowest level. I would submit that a truly compassionate, or even a truly small 'l' Liberal approach would involve upgrading the lowest to a more acceptable level. Now, the Minister of Social Services and the Premier are saying that social assistance rates are insufficient and that the income provided is not enough for recipients to live properly, yet the first change they have made is a decrease, is a cut in assistance to approximately 1000 single mothers and 1500 children. What we have now they say is not enough, so what do they do? They make it even less than that. The downgrading of the single parents on social assistance who are receiving maintenance and child support is done in the name of fairness. As I have said before that is a twisted, upside-down, perverted notion of fairness. Fairness surely involves upgrading the lowest, improving the lot of

the poorest.

Now, Mr. Speaker, what is most important about what has happened is the reduction in income for poor single parent families. The problem was compounded by the way that change was instituted, by the absence of advance notice to the families affected, and the time of year made the slash in income extremely difficult for the families affected to bear. But Mr. Speaker last week the Minister of Justice admitted in answer to my questions that the Government instituted this change without even proper legal authorization. The social assistance regulations still state that allowable income means maintenance. And the change, as I trust everyone understands by now, involved treating maintenance and child support as non-allowable income and subtracting maintenance dollar for dollar from social assistance.

When it had been treated as allowable income a portion of it was retained by social assistance recipients without any subtraction in the regular social assistance payments. Therefore when it was treated as allowable income there was an incentive for single mothers on social assistance to seek support from absent parents, the ex-husband or the father of the children, and likewise there was an incentive for the absent parent to pay support, to comply with court orders. That incentive is gone now. The regulations still say that allowable incomes means maintenance.

Now the Premier, who is an experienced lawyer and who holds himself out as being highly ethical and proper and correct and who, speaking in the House of Assembly only last year, said that

retroactivity is to be avoided like the plague, has suddenly abandoned those principles, another temporary interruption. And now he is saying that because in the past there have been retroactive changes in regulations, including inflationary increase in social assistance rates and other technical changes, that it is okay to retroactively change the law to take money away from people, to penalize people, to downgrade their entitlement to income, to negatively affect their rights. And that I say to the members opposite is completely unacceptable.

Perhaps when the Premier meets face to face with some of the single mothers who have been hurt, he will realize what he does not seem to see now; he has blinkers on, he does not seem to understand that his nice neat little box of fairness and balance -

Mr. Speaker: Order, please!

The hon. member's time is up.

Ms Verge: Thank you, Mr. Speaker.

Mr. Speaker: The hon. the Minister of Social Services.

An Hon. Member: Hear, hear!

Mr. Efford: Thank you, Mr. Speaker. It is even getting weak over here now. I am getting concerned about it. Seriously, Mr. Speaker, I have been in the House of Assembly since 1985, more often since the last election than the previous election, because it was very seldom open, and I never ever thought that I would ever rise in my place in the House of Assembly and look across the House and look at my colleagues and look

at the Chair and say to the House of Assembly, I am getting a sick feeling in the pit of my stomach.

Some Hon. Members: Oh, oh!

Mr. Efford: The former Minister of Justice brought in The Maintenance Enforcement Act and clearly stated in this Province as Minister of Justice that the purpose for bringing in the Maintenance Enforcement Act was that it would be less of a burden on the Department of Social Services and the taxpayers of this Province. It is very, very clear.

Some Hon. Members: Oh, oh!

An Hon. Member: When did she do that?

Mr. Efford: I need three or four minutes of silence, because I think this needs to be said. She has also said that this Government is downgrading the single parents of this Province.

Some Hon. Members: Hear, hear!

An Hon. Member: And she is right.

Mr. Efford: Let me say something, Mr. Speaker. We inherited a system that downgraded every human being in this Province, every individual that was on social assistance.

Mr. Speaker, as Minister of Social Services, and let me say this to my own members in Government, let me say it to the Premier of the Province, let me say it to the hon. Speaker and everybody in this Province, I am not willing to be part of any Government that is going to encourage people to stay on and depend on a system that does not even come up to the grade that you would have in the worse

circumstances in this Province. I am not going to be a part of any body in this Province. But, Mr. Speaker, for the single parents of this Province I will do everything in my power to give them an equal opportunity at life, an equal opportunity at education, an equal opportunity to getting a job and becoming self-supporting wherever possible.

Now, Mr. Speaker, that is not the answer for all single parents, because I know very well that every single parent in this Province cannot work, and there are personal and family reasons why they cannot. But we have 850 single parents who are receiving maintenance income, and we have 5,300 who are not. There has to be something done in the Department of Social Services to give every single parent an equal and fair chance at a decent livelihood through social assistance income, and that is what we are planning to do.

Mr. Speaker, I would not mind admitting to the Member for Humber East -

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

Mr. Efford: Mr. Speaker, I would not mind sitting down and having a conversation with the Member for Humber East if at least at one time over the last eighteen months, since I came into this House, or at least once while she was Minister of Education or Minister of Justice, she had said we have to do something for all single parents. But not once. She has a political banner, and she is carrying that political banner.

Some Hon. Members: And so she should.

Mr. Parsons: And so she should, to bring out the truth.

Mr. Efford: Not once since this issue came up has she ever shown the deepest concern or an ounce of concern for all the single parents who are not receiving this income, Mr. Speaker. That is the problem, and she is being hypocritical.

An Hon. Member: (Inaudible) political will. That is all you are doing, using them - using them.

Mr. Efford: Now, let me say to the single parents of this Province that this Government over the next short while, even as early as tomorrow -

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

Mr. Efford: Mr. Speaker, this is what happens in this House of Assembly every time you get to your feet and try to make a point. This is the reason you keep asking questions day after day, you are not listening to the answers.

Mr. Simms: (Inaudible) in the House. What are you talking about?

Mr. Efford: In conclusion, Mr. Speaker, we will provide better opportunities for single parents in this Province.

Ms Verge: When?

Mr. Efford: Now! Today! Tomorrow! I already met with some of them this afternoon and they told me they are not aware of the programs in the Department of Social Services. You, the former

administration, never did anything about it.

Mr. Simms: You have been there a year and a half.

Mr. Efford: Come on, Mr. Speaker, admit defeat for a change. Admit that you fouled up this Province and admit that we are going to do something about it.

Mr. Speaker: It is moved and seconded that this House do now adjourn. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Yes.

Mr. Speaker: This House now stands adjourned until tomorrow, Friday, at 9:00 a.m.