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PRINCE EDWARD ISLAND LEGISLATIVE ASSEMBLY



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Matters of Privilege and Recognition of
Guests

Speaker: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Speaker.

I'd like to welcome everyone to the gallery today, especially, I believe, *on a des étudiants de la 11^e et de la 12^e année de l'école François-Buote et puis je voudrais dire bonjour et bienvenue ici pour l'Assemblée législative.*

We have grade 11 and 12 students from the François-Buote school and I would like to say hello to them and welcome them here in the Legislative Assembly.

Welcome to the Legislative Assembly. I hope you enjoy the proceedings today. I also see some very familiar faces. I know Benny MacEachern is here, who's a regular to the Legislature. I know that he feels like things are back in order with the Liberals on this side of the House. So I'd like to thank Benny for all his support over the years.

I also had the opportunity to meet some residents, some visitors from British Columbia who are here today, and I'd like to welcome them to our Legislative Assembly.

For anybody who doesn't know, I believe we're the only Assembly - there might be two in the country - where the governing party actually sits on this side of the House. Every other parliament the government actually sits on the other side of the House, and the reason for that goes back, I think it has to do with the heating issue here in Province House. The way the sun comes in, the government wanted to be a little bit warmer, so they decided to sit on this side of

the House. I could be a little off on that, but I think that could be over all the gist of it on exactly why we're sitting on this side of the House. So I'd like to welcome you here today from British Columbia.

I also had the opportunity last night to be a guest with Terry Allen and Eastlink television for their call-in show and I'd like to thank all the callers who came in. I understand we set a record of 16 callers in one hour. I was told that's the most that they can recall. I said that's what happens now when we have someone who answers the questions directly and doesn't continue to talk on and on and on.

Some Hon. Members: Hear, hear!

Premier Ghiz: Madam Speaker, I also know that at this time of the year our economy is very busy out in the workforce.

I know that especially at this time of the year with our number one sector, our potato industry, and our agricultural industry is very busy. I'd like to wish all our farmers who are out harvesting potatoes these days all the best in the days to come and I hope that they have a great yield and I hope they have great prices this year.

Thank you very much, Madam Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

I'd like to rise, too, and welcome all our guests. I notice Hansard staff is here as well as the students, grades 11 and 12, I understand, and their teacher, Mr. Eric Arsenault.

I'd also like to welcome some of our viewers at home. I understand Ray Mahar from Evangeline likes to take a break sometimes from his duties and actually watch the House proceedings. I'd also like to say hello to Joe Dorgan who's from the West Prince area, a great organic farmer and he should be certified with organic dairy production really soon. Of course Darlene Compton, people have called to wonder what Darlene has been doing since the by-election. She's actually home renovating her barn and doing a great job with that.

I'd also like to remind people today that the Farm Credit Corporation's actually doing a project called Drive Away Hunger and that's a terrific initiative. Finally I guess I'd like to recognize Phyllis Horne, president of the teachers' federation, Erin MaGraff-Gaudet, spokesperson for Canadian Federation of Labour and Barbara Brookins, president of the nurses' association. Thank you for your comments and yes, Opposition is certainly listening.

Thank you.

Speaker: The hon. Minister of Development and Technology.

Mr. Brown: Thank you, Madam Speaker.

I want to welcome everybody to the gallery. It's a great day in the Legislature here. I also I want to take a minute to thank everybody in District 12 for supporting me in the last election and I'll do my best while I'm on this side of the House.

Also, some people think I said some things wrong yesterday, in one particular situation. I want to apologize for that and want it removed from the record.

Thank you very much.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you, Madam Speaker.

I also would like to rise and today and welcome everyone to the gallery. Back in my own home town of Montague, I'd like to first of all send greetings to my wife. I know she's going to be watching and she watches everyday. She probably keeps an eye on what's going on in the Legislature here also.

But I'd also like to recognize my mother-in-law. Every day, she never misses. She lives in Victoria, PEI. She's a great Conservative down there now. So we'd like to bring greetings to her on behalf of the Legislature.

I'd also like to stand up and offer my thanks to the people of Montague-Kilmuir who saw fit to re-elect me with the tide going out. The old saying is I'm a survivor now. So I'll be up to the task in this Legislature.

So once again, Madam Speaker, I'd like to say welcome to everyone in t.v. land.

Some Hon. Members: Hear, hear!

Statements by Members

Speaker: The hon. Member from West Royalty-Springvale.

Appreciation to the RCMP

Mr. Dumville: Thank you, Madam Speaker.

It is with a great deal of pleasure that I rise in this Legislature to honour a very special group of Islanders, a very special group of our friends and neighbours, the members of the Royal Canadian Mounted Police.

Recently, I had the distinct honour to represent the Government of Prince Edward Island and to address those dedicated men

and women of all police forces that attended the memorial service at Hillcrest United Church in Montague.

As a former member of this distinguished group of peace officers and one who lost a troop mate in the line of duty, I feel it is my responsibility to honour these brave men and women, a personal duty.

All of us here in this legislative Chamber will remember just a few short weeks ago the latest fatality that was reported out of Hay River, Alberta. A young, uniformed member of the RCMP was gunned down by a fugitive, just the latest of those who have lost their lives for those of us who stay in our homes and feel safe and secure from the dangers that surround us.

When we arise in the morning, the RCMP and our municipal police forces have already been on duty all night. When we go to sleep at night we can do so knowing full well that we will be safe from the dangers that are out there.

Madam Speaker, 2007 celebrates the 75th anniversary of the presence of the greatest police force in the world here on our Island. I celebrate that milestone and on behalf of my colleagues, I would like to offer sincere appreciation to those men and women of the RCMP and to recognize the dedication and commitment of their families.

Prince Edward Island is proud of each and every one of them.

Thank you, Madam Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Tyne Valley-Linkletter.

Assistance to seniors

Ms. Biggar: Thank you, Madam Speaker.

This afternoon I'd like to address a special segment of our population on PEI, the seniors.

The Government of Prince Edward Island has made a promise to all residents of this province, a promise to secure a better quality of life for all. One key area of attention in delivering on this agenda, as far as my colleagues and I are concerned, will be by serving a unique portion of our population, our seniors.

The key word in delivery of this initiative will be dignity: dignity in helping our seniors meet a high quality of life, dignity in assisting our seniors with quality health care, dignity in providing long-term care needs and dignity in response to a unique set of demands from our senior population.

Our Island seniors have an increasing need for our assistance.

One of the first realizations of this new government was to recognize what has been done for us by our seniors, to put into place a priority system of dealing with their unique and complex requirements, and celebrating their accomplishments on behalf of Prince Edward Island and all of Canada.

While timing is all important in dealing with our aging population, I feel we can adapt existing programs for seniors, improve essential services for seniors, and provide the support necessary for staff to meet these diverse and increasingly exclusive needs of seniors.

The Government of Prince Edward Island is confident that within the framework of any seniors' programs or initiatives, we will pursue excellence and innovation in its development and in its delivery to those special people who need it most.

Our government is enthusiastic about this concern and, with any successful launch of any initiative, this government will achieve results which will be meaningful for all Prince Edward Island seniors and their families.

Thank you, Madam Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you, Madam Speaker.

I rise to inform the House that later this afternoon under Tabling of Documents I will table a copy of a petition signed by Montague residents. This petition is another attempt by parents in Montague to let this government know that they want the new school built on the same property where the existing school is located.

Let me give you a bit of background on this petition. This is the brainchild of Billy Cann, who ran for the Liberals in the last election in the District of Montague-Kilmuir. In two days he collected over 600 names from residents in Montague area.

Now I ask: why is this government refusing to listen to the people of Montague? Is it because building the school on the current site was first proposed by the Pat Binns' government? Surely to goodness such a petty reason wouldn't really come into play. After all, this government has taken an oath to serve the residents of this province and one would have to think that this means actually listening to the residents.

Parents and children attending Montague school would much rather see the extra \$8 million that this government's proposed plan would cost spent on real resources for teachers and students. How about spending

some of that money on implementing the free, province-wide breakfast program for Island schools promised by your government?

I am sure that Islanders would much rather see this extra money spent on keeping another Liberal election promise to eliminate all user fees charged to families for curriculum-based equipment and supplies.

So instead of having construction start this past July, this government continues to resist the plea of Montague parents to have the school built on the existing site. They will finally heed the voices of these petitioners, I hope.

Thank you, Madam Speaker.

Speaker: Thank you.

Responses to Questions Taken As Notice

Speaker: The hon. Minister of Development and Technology.

Labour statistics

Mr. Brown: Thank you, Madam Speaker.

Yesterday, the Member from Georgetown-St. Peters asked about the labour statistics. I have them here today. I'll be tabling them during the Tabling of Documents.

Speaker: Thank you.

The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, yesterday I was asked to bring back some information to the questions by the hon. Opposition House Leader.

Due to the sensitivities of the industry on the issue of potato wart, I will be tabling these

answers at Tabling of Documents.

Speaker: Thank you.

Questions by Members

Speaker: The hon. Leader of the Opposition.

Government departments and ministers

Leader of the Opposition: Thank you, Madam Speaker.

My first question today is actually for the Premier. Would you please list for me the names of all your government departments?

Speaker: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Speaker.

We actually have 10 departments. You can see the ministers here. We have health and social services, provincial treasury, development and technology, community and cultural affairs and labour. We have education and Attorney General, also responsible for IRAC - I'd like to point that out - Minister of Agriculture, Minister of Environment, Energy and Forestry, Minister of Tourism, and Minister of Fisheries and Aquaculture.

Leader of the Opposition: Excuse -

An Hon. Member: (Indistinct) transportation and public works (Indistinct).

Speaker: Thank you.

Leader of the Opposition: Thank you.

My next question for the Premier: would you please list for me the role and duties of your senior deputy ministers?

Speaker: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Speaker.

Our senior deputy ministers are there responsible for the administration of the departments.

Speaker: Thank you.

The hon. Leader of the Opposition.

Leader of the Opposition: Thank you.

My next question is for the Premier. Could you explain for me the role and duty of your assistant deputy ministers?

Speaker: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Speaker.

Assistant deputy ministers are also there to help with the administration of the departments. There's been assistant deputy ministers for a long, long time here in the government and they help administer the departments.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: My next question is for the Premier.

Are the following senior government, mostly former deputy ministers, still employed: Dave Riley, Steve MacLean, Ron MacMillan, Jim Ferguson, just to mention a few?

Speaker: The hon. Premier.

Premier Ghiz: Yes.

Speaker: The hon. Leader of the

Opposition.

Leader of the Opposition: Thank you.

This question is for the Premier. In May of 2007 there was one deputy minister for the Department of Agriculture, Fisheries and Aquaculture. Is that correct?

Speaker: The hon. Premier.

Premier Ghiz: I believe so.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you. The next question's for the Premier. Today is there one deputy minister for the Department of Agriculture?

Speaker: The hon. Premier.

Premier Ghiz: Yes, I believe so, Madam Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: The next question for the Premier is: is there actually also one assistant deputy for the Department of Agriculture?

Speaker: The hon. Premier.

Premier Ghiz: Yes, I believe so, Madam Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you.

My next question is for the Premier as well. Today there's a new Department of Fisheries and Aquaculture. Is there one new deputy for the Department of Fisheries and

Aquaculture?

Speaker: The hon. Premier.

Premier Ghiz: Yes, there is Madam Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you.

The next question is for the Premier. In May of 2007 there was a department known as the Department of Community and Cultural Affairs. Today it's known as the Department of Communities, Cultural Affairs and Labour. Is there a new deputy for that department?

Speaker: The hon. Premier.

Premier Ghiz: Yes, there is a deputy for that department.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you.

That's really interesting to see. I also see the former deputy, who is still employed doing special project work out of Executive Council, is still working on files from the department. Is that true?

Speaker: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Speaker.

That deputy minister is now in charge of infrastructure for the province. We're in the midst of doing numerous negotiations with the federal government on labour market development and on infrastructure and that's what that former deputy minister is now working on.

Speaker: The hon. Leader of the Opposition.

Bioscience and economic development

Leader of the Opposition: Thank you.

My next question is for the Premier's office. One department you did not mention but you also have dollars for in the Budget is that there's a deputy minister in the department of bioscience and economic innovation. Is that correct?

Speaker: The hon. Premier.

Premier Ghiz: Thank you.

That's an office of biosciences and economic development.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: The question is for the Premier. Is that position, the person that's working in that role, a deputy minister?

Speaker: The hon. Premier.

Premier Ghiz: Yes, they are, Madam Speaker, and we were very fortunate to be able to recruit over from the NRC, the National Research Council, Dr. Michael Mayne, who happens to be the person who was responsible for setting up the NRC here in Prince Edward Island and their first director at the NRC.

We view that there's a lot of growth potential, especially in the areas of bioscience, IT, aerospace. We wanted to have someone dedicated solely to that file. We believe that especially here on Prince Edward Island, where we happen to be quite unique, where our largest industries still happen to be agriculture and fisheries - and I

think if you look across the country, we're not fortunate like some of our other provinces that could have uranium or could have oil and gas - what we have here is still unique with agriculture and fisheries being our largest industries.

We believe that we have to try and find ways to value-add to those industries, to grow on them, and I believe that bioscience is one of those areas where we can do a lot of that. We're very fortunate in the Government of Prince Edward Island to be able to attract over someone with the reputation and with the experience of Dr. Michael Mayne.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you, Madam Speaker.

I absolutely agree with you. Dr. Michael Mayne is a great contribution and is a great person to have employed.

The next question is for the Premier. In health and social services and seniors in May of 2007 there were two deputy ministers, one for health and one for social services and seniors. Do you still have a deputy minister for health and one for social services and seniors?

Speaker: The hon. Premier.

Premier Ghiz: Yes, Madam Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you.

Still to the Premier. Before your deputy of health went off on sick leave, the former deputy of health was still employed on special projects, was he not?

Speaker: The hon. Premier.

Premier Ghiz: Yes, he was, Madam Speaker.

Speaker: The hon. Leader of the Opposition.

Employees of government

Leader of the Opposition: Thank you.

The next question is for the Premier again. Are the following people working for government and are there salaries coming out of government dollar spending: Ian "Tex" MacDonald, Chris LeClair, Geoff Townsend, Suzanne Copan, Matt McGuire, Alan Rankin, Danny Walker, Valerie Acorn, Vernon Doyle, Roger Duffy, Ivan Gallant, Fraser Inman, Kim Munro, Grant Palmer, and Nora Young?

Speaker: The hon. Premier.

Premier Ghiz: Yes, I believe so, Madam Speaker.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you.

My next question was going to be to the minister of finance. But I wanted to just remind people that there seems to be \$1.5 million out of the QEH fund for salaries, and I think it may be decisions that this government's making on where the money is going.

Government run as a business

My question for the minister of finance is this. Apparently this morning, minister, and in other media interviews, you've made a statement that you intend to run government as a business. My question to you is: From

your experience in private sector, how many senior executives would you employ if you were actually running government like a business?

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, thank you very much.

Thank you very much for the question, hon. Leader of the Opposition.

It's quite a question to answer in one little piece. I guess we'd have to look at what size of a company we were trying to run and that would probably dictate to me how many executives we would need.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you, Madam Speaker.

First of all, I'd like to congratulate the Minister of Agriculture for bringing the information back today back to the House in a speedy manner, and I thank you for that.

Primary industries

I guess my next question also is to the Minister of Agriculture. Can the minister tell me: Do you support the primary industries on Prince Edward Island?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Certainly I support the primary industries, hon. member.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: That's great, refreshing.

Madam Speaker, to the Minister of Agriculture again: Do you support the beef industry on Prince Edward Island?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, yes.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you once again for the speedy answer.

Madam Speaker, this is to the Minister of Agriculture again. Do you support the hog industry on Prince Edward Island?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, yes, I do.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: This is really refreshing, because past administrations on Liberal governments have never supported the primary industries -

Some Hon. Members: Oh, oh!

Mr. Bagnall: - and so it's nice to see that we have a minister in a primary industry here that is standing up in front for the industry and supporting it. That's exactly what the agriculture industry needs here in PEI. So I want to thank the minister for those remarks, and the support put behind the beef and the hog and all the primary industries here in Prince Edward Island.

General government spending

Madam Speaker, I have a very wide range of questions today on the Budget and I'm anxious to pose a number of questions to ministers throughout this session on it.

However, before tackling government's rationale for big ticket items in the Budget, I feel it's important that Islanders should consider the personal accountability of people who have made decisions affecting their pocketbook, especially with so much new spending announced yesterday in the Budget.

We need to find out where all the spending is coming from. So I want to begin by learning more about what is quickly becoming the bloated spending spree undertaken by Cabinet ministers, the same people who are elected and, dare I say, sworn guardians of the public purse.

Madam Speaker, if we are fortunate enough to get direct -

Speaker: Hon. member, is there a question in there?

Mr. Bagnall: Yes, there is. That's what I'm starting here now.

Speaker: Thank you.

Mr. Bagnall: - fortunate enough to get honest answers and gain valuable insight to this priority.

Madam Speaker, I see in the Budget an increase of general government spending. This is to the Provincial Treasurer. How does the minister account for this increase in general government spending?

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker.

Thank you very much for the question, hon. member.

The contingencies that are there in general government have been there for the past number of years. Those numbers would

cover off things such as salaries, other contingencies, programs that we may enter in with the federal government in co-spend. We want to have those dollars available very readily to be used. Thank you.

Speaker: The hon. Member from Montague-Kilmuir.

Number of government vehicles

Mr. Bagnall: Thank you.

I will get back to that question a little later as we go on. Madam Speaker, could the Minister of Finance tell us how many new vehicles or leased vehicles the ministers or deputies have purchased since this government has taken office?

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, I'd very much like to answer that question.

Much to the difference of what was seen in the graphic, we did an inventory of the vehicles in hand by the government when we took it over within the first week. There were five old vehicles that were for use for ministers, and very happy to say that all five vehicles were used, including one by myself still being used.

The exact dollar value for the number of leases that we've decided to take on would be zero because we don't want to lease them any longer, because the lease payments under the last government cost us thousands and thousands of dollars when they were turned in because of the extra mileage. So we are purchasing the vehicles. I can get those numbers and table them for you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you, Madam Speaker.

Thank you for that response. So I can look forward to getting that back tomorrow like the previous minister did?

An Hon. Member: Still waiting (Indistinct)
-

Speaker: Order.

Redecorating Tourism office

Mr. Bagnall: Madam Speaker, my next question will be to the Minister of Tourism.

I understand upon taking office the Minister of Tourism's first bit of business that she undertook in her office was to redecorate her office. What has the minister done besides buying new furniture for her office since she's taken office in the last five months?

Speaker: The hon. Minister of Tourism.

Ms. Docherty: Madam Speaker, thank you for the question.

I have been having a great time working with the tourism industry all summer, attending every event that I can, every function, being there as the ambassador that I would expect the Islanders would like me to be as Minister of Tourism.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: She forgot to mention - oh, thank you, Madam Speaker.

She forgot to mention that she spent a lot of time redecorating her office too. I guess I want to know what the cost of taxpayers of

Prince Edward Island for re-doing her office over and furniture and whatever you did. Can you bring the cost forward to that for me please?

Speaker: The hon. Minister of Tourism.

Ms. Docherty: Definitely. I'll bring it back to you.

Speaker: The hon. Member from Montague-Kilmuir.

Priorities of Tourism

Mr. Bagnall: Madam Speaker, this is a question to the Minister of Tourism. Can the Minister of Tourism please tell us what the priority list for your department is?

Speaker: The hon. Minister of Tourism.

Ms. Docherty: Madam Speaker, I'm sorry. I don't understand the question.

Mr. Bagnall: Obviously, most ministers, Madam Speaker, have priorities in their departments which they're going to achieve and move on into the future. What are your priorities in your department?

Speaker: The hon. Minister of Tourism.

Ms. Docherty: Madam Speaker, the priorities are being worked on.

As you are probably aware, hon. member, I was just taking over everything that the previous administration had put in place. We are now in the process of planning for 2008.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you. Madam Speaker, the minister's had five months to start doing some priority lists in her department and they're bringing down a new budget and no

priorities.

I guess my question is: How can you stand up and represent the tourism industry of Prince Edward Island when you didn't put any new initiatives into the Budget and you've got no priorities to move into the future?

So I guess what I have to say there is that the minister should be putting priorities in place. So I'll ask you once again. Do you not have any priorities for the Department of Tourism? After five (Indistinct)?

Speaker: The hon. Minister of Tourism.

Ms. Docherty: Madam Speaker, I guess what I'd like to say in regards to that question is the fact that our government is actually doing some research and investigating the best needs for the tourism industry instead of willy-nilly trying to make decisions that may not grow our industry.

So that takes a little bit of time and we will make sure that it's in place for 2008.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Redecorating Treasury offices

Mr. Bagnall: Thank you, Madam Speaker.

It's obvious that the ministers have been spending more time decorating their offices than they have looking after the industry.

I move to the Provincial Treasurer. It's my understanding the Provincial Treasurer had a mural painted in his office, gone out, bringing in fancy paintings to do a mural. Is

this an initiative for the arts council or is this an issue for you to bring in one of your constituents from your district to paint your office without putting it out to tender?

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker.

Thank you very much for that, hon. member.

As a matter of fact, I brought in the former minister of the treasury, his niece, to do the mural for me. Very appropriate. Thank you very much.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: A question to the Provincial Treasurer again, Madam Speaker. Where is this individual from?

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, same district as her uncle.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Madam Speaker, what district is that?

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, my district, of course. Thank you very much.

Speaker: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you. I'd like to rise and welcome the new students in the gallery from Grace Christian School.

Thank you.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: I understand, Provincial Treasurer, that there was new office furniture purchased for the deputy minister. Can you tell me what the cost of that was and was it tendered out?

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Hon. member, I have no idea of the cost. I will find that for you, table it. Was it tendered out? I have no idea of the process of this but I'd be very happy to find that for you.

Speaker: Thank you.

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Madam Speaker, we seem to be getting a pattern here of government spending more time on redecorating their offices than they are looking after government.

As you know, we got a new budget out yesterday and it was the Budget that was brought down by the Conservative government last year. After six months, the Provincial Treasurer didn't have enough - I don't know - time?, took too long painting the mural in his office to bring down a budget from the Liberal government. It seems to me there should be more time spent on government than decorating offices. As a minister who stood up and talked about accountability and looking after taxpayers' dollars, it seems to me -

Some Hon. Members: Question.

Speaker: Order.

Mr. Bagnall: - that the minister is not

looking after his responsibilities as the Provincial Treasurer. So once again, what was the cost of that furniture?

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, I thought I made it very clear.

There was new furniture purchased for my deputy minister. My deputy minister uses a computer that is nine years old. We do not spend money unwisely. This furniture was falling apart, as the hon. member probably would know from visiting there, and my deputy minister can have a little desk to work behind. I will get those numbers on that important matter.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Agriculture travel costs

Mr. Bagnall: My next question, Madam Speaker, goes back to the Minister of Agriculture. Could you update the House on what trips you've taken since you've become minister and the cost of each trip?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, I can update you on the trips I've taken, but as far as the cost, you can probably pick that up on the website.

The trips I've taken were to British Columbia and to Russia, and last week I took a trip to Toronto - sorry, Ottawa.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: This is to the same minister, Madam Speaker. On your trip to Russia, who did you take with you?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, I took a deputy minister with me.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: So that's all you took. That's all the people from government that attended that meeting with you?

Mr. LeClair: Yes, Madam Speaker.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Can you tell Islanders what the benefits of that trip to Russia will be to the province?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, I certainly can tell you that the benefits will be forthcoming in this year.

There's already been a number of initiatives that have been started because of that trip, and I think it will do us, the Island, a lot of good.

Thank you.

Some Hon. Members: Hear, hear!

Mr. LeClair: The hon. Member from O'Leary-Inverness.

An Hon. Member: (Indistinct).

Tobacco tax revenue

Mr. Henderson: It's a good riding.

Madam Speaker, a question for the Provincial Treasurer.

As we go through the provincial Budget, there's a number of red flags that have been raised. For example, the estimate on revenue from the tobacco tax is now \$20 million. Last spring the estimate was \$27 million. That's a \$7 million over-estimate in revenues of this particular area. Will the minister please explain why the former administration inflated this particular revenue stream which should be relatively easy to predict?

Premier Ghiz: Good question.

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, hon. member, thank you for the question.

With regards to the tobacco tax, in good faith with the former administration, I would know that it would be very difficult to put budget estimates out there. The problem was that those numbers in the estimate were put to \$27 million the year before actual numbers 2006-2007 reflected somewhere in the vicinity of \$23 million. I believe that the former administration thought that they could go out and sell a little bit more tobacco and possibly police it better and bring it to \$27 million. Meanwhile, the numbers that are coming in now project that it will come in at \$20 million.

Thank you.

Speaker: The hon. Member from O'Leary-Inverness.

Mr. Henderson: Supplementary, Madam Speaker.

This, as you are well aware, was quite a source of argument in the spring. The opposition at the time argued that it was

obviously wrong to estimate tobacco taxes quite so high. That's especially true given the fact that many Islanders are, thankfully, quitting that habit. Will the minister please tell the House who directed the staff of the Provincial Treasury to include such an obviously inflated number in the spring budget?

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, as to who would direct it, I know that the Provincial Treasurer would have the final say in what took place there, but I think a lot of factors would have come into play.

We know that the smoking numbers are going down, as you had mentioned, and of course, with high taxation we know that smuggling and contraband is on a rise. So I do, myself, struggle with where the projection came from.

Low interest loans for fishers

Speaker: The hon. Member from Tracadie-Hillsborough Park.

Mr. Watts: Madam Speaker, questions for the minister of fisheries.

After many years of being neglected, many people in the fishery were quite relieved with the announcement of the low interest loan, particularly for those who have been faced with high debt and low catches. Many fishermen are still somewhat unclear about the program, so will the minister please offer the House a brief explanation as to how this will work?

Premier Ghiz: Good question.

Speaker: The hon. Minister of Fisheries and Aquaculture.

Mr. Campbell: Thank you very much,

Madam Speaker, and I want to thank the hon. Member from Tracadie-Hillsborough Park for his great question.

It gives me great pleasure to rise in the House today and answer a question regarding our low interest loan program.

Low interest loan program was something that was clearly identified by the Northumberland Strait working group and by licensed fishers in areas 25 and 26A as one of the keys to sustainability in the fishery in areas that were suffering from declining catches and increasing costs.

Basically, the way the new program works - fishers are asked to bring forward their income tax form for the 2006 year. There is a qualifying criteria where fishers who have a net cash available position of less than \$40,000 and whose situation is deemed to be sustainable under this program will be deemed qualified, and they will become eligible for a loan of up to \$200,000 at a 4% interest rate.

Thank you, Madam Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Tracadie-Hillsborough Park.

Mr. Watts: Supplementary question, Madam Speaker.

Do you have any idea as to how many fishermen may in fact apply for this loan, Mr. Minister?

Speaker: The hon. Minister of Fisheries and Aquaculture.

Mr. Campbell: Thank you very much, Madam Speaker.

Obviously, it's a little bit difficult to

determine the numbers that will qualify for this program since the program did not exist in the past. Our estimate is that somewhere in the neighbourhood of 200 fishers will qualify.

Thank you.

Speaker: The hon. Member from Montague-Kilmuir.

Agriculture travel costs (further)

Mr. Bagnall: Thank you. This question, Madam Speaker, will go back to the Minister of Agriculture again.

You said there were a number of initiatives that are coming forward from this trip. Can you give us an example of one or two?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Minister - or Madam Speaker, sorry - the details - there was a group of people, all from different sectors of PEI, the industries on PEI.

There's a number of them that have called and came back to me and told me that they have started initiatives. Now I wasn't - I was there as minister for PEI to promote Prince Edward Island. I did that. As far as the industries go and as far as the members of the industries, they are working on their own projects. If you need more information, I suggest you get in contact with those people.

Thank you.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Madam Speaker.

Mr. Minister, you're telling me that you went to Russia, took staff to work with development for the area, and yet you come

back here and say that you can't give any information out because that would be against policy? You used government dollars to go to the trip to Russia. You took your deputy minister with you, and yet you will not give out any information or any business that's coming back from that trip? What's going on? What are you trying to hide?

Some Hon. Members: (Indistinct).

Speaker: The hon. Minister of Agriculture.

An Hon. Member: (Indistinct) up to speed.

Speaker: Order.

The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, I didn't say it was against policy.

I said there were members of the industry, all aspects of the industry, that came. I said if you wanted to find out, you can ask those people. There are initiatives because I've had feedback from them. What I did was talk to the federal minister in Moscow, the Moscow minister. I went to the potato exhibition. I promoted our province. We are working on trade initiatives as far as potatoes go and the agricultural industry. To tell you the truth, I'm not the first Minister of Agriculture that ever travelled.

Some Hon. Members: Hear, hear!

Mr. LeClair: I could probably ask the same questions to another person.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you, Madam Speaker.

I recognize that fact too, hon. minister, but the same thing. I guess what the next question I'll ask you on that is: Were there government dollars put into helping out the cost of these individuals going to Russia with you?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, yes, there was.

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Then why can't government give us details on what happened? You paid for the trips. You took people there. What I'm saying is, why can you not give us at least one indication of something that you did when you were there?

Premier Ghiz: He told you. He listed off five things.

Speaker: Hon. member/

The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, I represented the Province of Prince Edward Island in Russia.

The organization that called and asked me to go - this was not my initiative. It was an initiative of CASP and there was federal money put in there as well as provincial. I'm telling you that what I did bring back were very positive results to the industry, to all of our industries that were involved.

Thank you.

Speaker: The hon. Member from Montague-Kilmuir.

Initiatives of Ottawa-Quebec City meetings

Mr. Bagnall: Thank you, Madam Speaker.

I'll leave that question for now because, obviously, he was vacationing and didn't know what was going on when he was there.

So my next question will be to the minister of development, Madam Speaker. Can you update the House on any trips that you've taken since you've been minister?

Speaker: The hon. Minister of Development and Technology.

Mr. Brown: Madam Speaker, yes, I went to Ottawa, and on my way back from Ottawa I dropped off in Quebec City.

In Ottawa I met with the minister, staff in immigration. There were regulation changes that were going to be going through. I want to thank the previous premier who wrote a letter on behalf of that initiative. We were able to get regulation changes that were being made to the *Immigration Act* changed or stalled for another couple of months and renegotiated.

When I went to Quebec City I visited with the Ocean Group who - we built three tugs from the Georgetown Shipyard, excellent tugs and I commend the workers and the management of the Georgetown Shipyards. Three jobs well done. I can assure the members that Georgetown Shipyards and the workers at Georgetown, we are working on getting more tugs.

Then I visited with the minister of industry for Quebec. The C-17 contracts were signed between the US and Canadian governments. These are three big jets that are coming to the military in Canada. With that, Boeing has agreed to transfer \$3 billion worth of money back into Canada. It's called an

international program for bringing whatever Boeing has to spend or we spend to Boeing, they have to spend back in Canada. We believe that we deserve at least 5% of that. That is \$150 million.

I met with the minister in Ottawa. He has a big aerospace industry in Ottawa. I said: Look, why are we going to compete against each other here for these contracts and waste government money competing with each other? Can we work out some sort of a deal that we forego all these freebies to companies when they come here and let's try to work together and get the maximum benefit for Canada, instead of fighting with each other? That was the meeting that I had with the minister when I was there.

Thank you very much.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you. At least I know you weren't vacationing. You were busy. Who attended? Who accompanied you on those trips?

Speaker: The hon. Minister of Development and Technology.

Mr. Brown: Thank you, Madam Speaker.

In Ottawa there were a number of people who attended the meeting. I can assure members that no one in Ottawa except for myself was paid for out of government. There were some private sector companies that came with me in order to negotiate that, and it's all about immigration and some changes that were being made to it. When I went to Ottawa my communications person came up with me because he arranged the meeting with the Minister of Industry in Ottawa. He had a bunch of the facts

available for me. I had a meeting in Ottawa. I had to prepare for that. I got him to come to Quebec with me in order to help out there.

Just on one point, one of the things that all governments in the Maritimes are concerned about is that the Conservative government in Ottawa signed a free trade agreement with the EU, and maybe you and your members could contact the Minister of Industry up in Ottawa and talk to him about this. This free trade agreement with Europe, especially in the shipping industry, is really going to hurt Georgetown and the shipping industry. Maybe if we can get together with the opposition critics here and write Ottawa and tell them how hard this is going to hit our industry, maybe we can work together on that.

Thank you, Madam Speaker.

Premier Ghiz: Great idea, great idea.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Communities, Cultural Affairs and Labour travel costs

Mr. Bagnall: Thank you, Madam Speaker.

My next question is to the Minister of Communities, Cultural Affairs and Labour. Could you update the House on any trips that you've taken as minister since you've been in government?

Speaker: The hon. Minister of Communities, Cultural Affairs and Labour.

Ms. Bertram: Thank you, Madam Speaker.

It would be a pleasure to update the House on the trips that I've taken. I've gone to

Greece on behalf of this province, as minister responsible for sport on Prince Edward Island, to the Island Games. I have gone as minister responsible to local governance in Winnipeg. I've also attended the ministerial meetings and presented for Prince Edward Island on culture relative to the Heritage Initiative Project. I've also attended the ministers' conference on la Francophonie in Halifax and I've presented on behalf of all ministers on the French Language Service Agreement.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you, Madam Speaker.

Your trip to Greece, what business part for the province was in that and who attended that meeting with you?

Speaker: The hon. Minister of Communities, Cultural Affairs and Labour.

Ms. Bertram: Again, it's a pleasure to discuss this trip, Madam Speaker.

I attended this meeting or this sporting event with our deputy minister. We were there because we are vying for the 2013 Island Games to host them on Prince Edward Island. We wanted to show, with our contingency of 64 at the Island Games in Rhodes, Greece, we wanted to look like we were there to do business. We had many meetings with the organizing committees along with the Aland group that are the next hosts in 2009.

Some Hon. Members: Hear, hear!

Mr. Brown: Great job.

Speaker: The hon. Member from Montague-Kilmuir.

Ministers' expense accounts online

Mr. Bagnall: Thank you, Madam Speaker.

I guess what I'm trying to do in my questioning today is show the accountability of government. They had talked about being open. When they were in Opposition one of the biggest things that was said was openness and fairness in getting information to the public. One of the things is ministers' expenses.

Now it's in policy that all ministers issue their expenses on the website. To date, only one minister has put his minister's expenses on line and they're not all there, but at least his department has done that.

We also have nine other government ministers who have failed in being accountable for their departments and their expenses. The Premier of this province has stood up and said that: We are going to be open and accountable. Yet the very first chance he has to follow that up, they fail.

So, Madam Speaker, my question is to the Premier: When are you going to have your ministers put their expenses on line as government policy?

Speaker: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Speaker.

First of all, I'd like to congratulate all our ministers for the great work that they've been doing and out trying to promote Prince Edward Island by attracting new businesses to the Island, to help out the district of Georgetown, by going off looking for games to come here to Prince Edward Island, by representing Prince Edward Island at a First

Ministers' meeting for the Francophonie *on avait la première chance dans l'histoire dans les dernières onze années d'avoir un ministre qui était à la table pour la francophonie qui pouvait parler en français et puis je pense que c'était un honneur d'avoir un ministre qui peut parler français à ces rencontres.*

It was the first time in history, in the past eleven years, that we had a minister at the Francophonie table who could speak French, and I think it was an honour to have a minister who could speak French at these meetings.

Now I know what the hon. member is asking. Unfortunately, he knows that it's supposed to be recorded every quarter. There was an election in the way. A lot of the ministers didn't even have credit cards. A lot of the ministers weren't even able to submit anything because they didn't have any credit cards. Once we get back into the system where we're going to get back into the next quarter, you'll be able to see all that on the Internet.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Sorry.

The hon. Member from Georgetown-St. Peters.

Status of hog plant

Mr. M. Currie: Thank you, Madam Speaker.

I have received a lot of calls from very concerned workers and also a lot of farmers, and my question is for the Minister of Agriculture. It seems quite apparent, I guess, with our hog industry on PEI that it's only a

matter of time, maybe days or weeks, that you and your government are going to close the hog plant here in Charlottetown and put 125 men and women out of work, and we're going to lose a \$4 million payroll. Is that true?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, no, it's not true.

Speaker: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: You're stating that the hog industry here in Charlottetown is not going to close and the 125 jobs that are out there are safe.

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, he asked if I was putting them out of business. I'm not putting them out of business. It's not true.

Speaker: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: Madam Speaker, are the minister and his government going to close this plant and not support it?

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, no, we're not going to close this plant. We will support this plant.

Speaker: The hon. Member from Montague-Kilmuir.

Ministers' expense accounts online (further)

Mr. Bagnall: Thank you, Madam Speaker.

Back to the Premier's answer. That probably

would be good enough if none of his ministers had been able to put their expenses on line, but he does have one minister that's actually doing his job there, when he's not vacationing, and putting his expenses on line. So I don't think that's any excuse for every other minister to not follow procedure.

The Premier can get up and congratulate them on all the good work, but we're talking about accountability here and the expenses. We know that they've been travelling everywhere, rolling up all kinds of bills and expenses for travel, decorating offices. We want to see the accountability put on the Internet. When can we expect that? I know you're saying in the future, but will it go on this week?

Speaker: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Speaker.

I'm not sure when the recording periods are. The next time that it has to be involved for recording periods the member will be able to see them on there. I can assure all Islanders that the travel that we've been taking is necessary for government business. We are the Province of Prince Edward Island. We are an equal partner within the Canadian jurisdiction. We have to make sure that when there's ministerial meetings going on that they attend. I applaud some of our ministers who one week into a job had to go off to a ministerial meeting and represent the Province of Prince Edward Island. I think they did a very good job in doing that and made sure that Islanders were well represented at all these meetings.

Unlike the former government, there's going to be no personal charges put on our government credit cards. We're going to make sure that we're going to be accountable to Islanders.

Some Hon. Members: Hear, hear!

Speaker: Final question.

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you, Madam Speaker.

For the Premier to stand up and go on like that, that's great, but he is the one that was going to introduce a bill in this House on the exact same topic of accountability. The first time that he has a chance to show that he can be accountable, he fails. I mean, he literally failed and all of his Cabinet has failed because they did not follow the procedures that were set in by the government.

Premier, when will this be done? Give us a date.

Speaker: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Speaker.

I'm not sure where the member was that day, but it was actually the hon. Minister of Transportation and Public Works who came in with that bill and it was in fact that member there who voted against the bill when it was brought to the floor of the House. So perhaps the hon. member should check his facts.

We're going to make sure that we're going to be accountable to Islanders. You're not going to be able to put on personal charges on your government credit card. We're going to make sure that we're going to be accountable to Islanders and when the next reporting period comes on there you're going to see all the charges that were made for the previous time.

I can (Indistinct) you, I believe I probably used my government credit card twice, I

think, off the top of my head. I just signed off on something today, \$444 I think it was, to go to a First Ministers' meeting over in Moncton. So we're going to be accountable to Islanders. We'll stand up.

What we want to do is make sure that this is a new Liberal government that's going to be open and accountable, unlike the former government was.

Thank you, Madam Speaker.

Some Hon. Members: Hear, hear!

Speaker: End of Question Period.

Statements by Ministers

Speaker: The hon. Minister of Health, Social Services and Seniors.

Mr. D. Currie: Madam Speaker, I'm pleased to announce that doctors' offices and health clinics on Prince Edward Island have received their first shipment of influenza vaccine for this season.

It is recommended that those at highest risks of serious illness from influenza receive the vaccine. High risk groups include people over the age of 65; adults or children with chronic lung or heart disease, diabetes, kidney disease or other chronic illness; residents of chronic care facilities; pregnant women; and healthy children between the ages of six months and 23 months.

Health care workers are also encouraged to receive the vaccine for the benefit of their patients, their families and themselves.

The Public Health Agency of Canada states that 20 to 25% of Canadians may get influenza each year with about 4,000 to 8,000 deaths occurring due to influenza related illness and complications.

Because the strains vary each year, it is necessary to be immunized every fall before the start of the new influenza season and with the strains in the current year's vaccine.

I strongly encourage all Islanders in the high risk groups to ensure they receive a influenza vaccine.

Thank you, Madam Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Minister of Education and Attorney General.

Mr. Greenan: Madam Speaker, my colleague the hon. Minister of Community Affairs, Culture and Labour and I are pleased to advise that over the next few days, PEI will host the National ArtsSmarts Exhibit and Learning Symposium next door here at the Confederation Centre of the Arts.

ArtsSmarts, as you may know, is a renowned national program that advances learning through the arts. PEI has participated in the program for four years. The program has brought thousands of Island students and teachers together with local artists to learn curriculum through dance, drama, music and the visual arts.

Through these projects, students have learned to think critically, to work collaboratively and to reach high levels of creative expression. The fourth annual national event will begin this evening at 5 p.m. with the official opening of the national exhibit ArtsSmarts: A New Way of Learning at the Studio Theatre.

It will showcase ArtsSmarts projects from across the country that celebrate the achievement of learning outcomes through diverse art forms.

At 6:00 pm, ArtsSmarts PEI will host an

Artist and Teacher Appreciation event at Memorial Hall. At that time, we will recognize over 60 Island teachers and artists for their participation in ArtsSmarts.

The event will feature such distinguished guests as Dr. Gail Burnaford of the University of Florida, Penny Milton who is the CEO of the Canadian Education Association and Michael Blondeau who has achieved international recognition for his innovative contributions to the new media industry.

Even though much of the national funding for ArtsSmarts expired last year, our government has chosen to sustain funding for ArtsSmarts because we recognize its outstanding success in bringing learning to life and in helping students develop a lasting appreciation of the arts.

Before closing, I want to extend my best wishes to the PEI Teachers' Federation and the more than 1,500 teachers and staff who will be attending the annual teachers' convention tomorrow and Friday at the Delta Prince Edward.

Thank you, Madam Speaker.

Some Hon. Members: Hear, hear!

Speaker: We have a response from the Leader of the Opposition.

Leader of the Opposition: Thank you.

I just wanted to say congratulations, it's great that you put that money in the budget for ArtsSmarts projects. You mentioned Penny Milton. I was lucky enough to actually work with Ms. Milton when she was with the Canadian Education Association and at that particular time was actually a director.

I also want to mention the fact I had the

opportunity, and I believe it was maybe the spring of 2006, to attend a performance by an ArtsSmarts project down in Fortune. Not only was it the students, but the teachers and also the community people that came together in a very artistic way from the design of the script to the sets, etc. It was extremely well done. That was at a particular time that was difficult for the kids in Fortune because a lot of their parents were working out west, so the projects can be not only in an education way, but also in a social way as well.

Thank you.

Speaker: Thank you.

The hon. Minister of Health, Social Services and Seniors.

Mr. D. Currie: Madam Speaker, I rise in the House to recognize International Day for the Eradication of Poverty. Across the province, Islanders are joining with millions worldwide to stand up and speak out against poverty. Local gatherings are taking place at high schools, the university and outside the Legislature.

Over the weekend, my family and I had a chance to take part in events at St. Paul's Church Hall here in Charlottetown. One campaign, Make Poverty History, is familiar to many for its celebrity spokespersons and white band symbol. This campaign is gaining momentum and concisely outlines how Canada can meaningfully address poverty at home and globally.

Here on Prince Edward Island groups like the Cooper Institute, Alert PEI and the Upper Room Ministry are working diligently to advocate for social change and poverty reduction.

Through my department of Social Services and Seniors, government is supporting

children and families with recently expanded family health benefit and child care subsidy programs, the children's Dental Care Program, social housing, the Healthy Child Allowance, and a recent shelter allowance increase for social assistance for recipients.

This government has also introduced a Disability Tax Credit.

Together these programs are supporting low income individuals and families with children and working to reduce the welfare wall, a barrier that many face when trying to leave social assistance and attain independence.

Research outlines the direct relationship between the health and wellness of individuals and the availability of good housing. Since 2003, the Canada-PEI Affordable Housing Agreement has provided 123 new affordable housing units for individuals, families and persons with disabilities. My department is also working to develop a housing strategy through partnerships with the community and private sector that will further address affordable housing needs.

The issue of poverty is complex and one that needs national attention and cooperation. My government colleagues and I are prepared to challenge the federal government to move forward on a national poverty reduction strategy.

In closing, I applaud the diligent work of PEI's many volunteers and community builders who are committed to the goal of eradicating poverty here at home and around the world.

Thank you.

Some Hon. Members: Hear, hear!

Speaker: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Speaker.

I'd like to take this opportunity to recognize someone in the gallery here who is very familiar to us all. At one point she happened to be a minister of health here in the Legislative Assembly. She actually happened to be in your seat at one time, Madam Speaker. I understand that she ran a tight ship at the time and I'm sure you'll live up well to exactly how she managed the House.

She then went on, of course, to become Minister of Education and Attorney General and minister responsible for IRAC as well. Probably one of the best things she did in her whole career, she had the foresight to get out of the way before the tide showed up. I would like to say this, Madam Speaker. In recognizing her, it's a good thing that Mildred Dover is not in this House today because it would be a lot more difficult for us in Question Period.

Some Hon. Members: Hear, hear!

Speaker: Welcome, Ms. Dover.

The hon. Leader of the Opposition.

Leader of the Opposition: Thank you.

I'd like to rise too and welcome Mildred Dover here. Not only was she a terrific educator and minister, she is also one of my mentors. It's a pleasure to have you here in the House.

Speaker: The hon. Minister of Community Affairs, Culture and Labour.

Ms. Bertram: Thank you, Madam Speaker.

October is Library Month and the theme is

Libraries: The World at Your Fingertips. Did you know that we have 26 libraries across the province, scattered from communities from Tignish to Souris, from Hunter River to Murray River? Our provincial libraries offer a variety of services to support literacy, promote history and culture, provide access to information and offer expertise to assist everyone, regardless of age or language.

Bien que toutes les bibliothèques possèdent du matériel en anglais et en français et en bien d'autres langues, nous avons également trois bibliothèques provinciales au service des communautés acadiennes et francophones, offrant principalement du matériel en français.

Although all libraries have material in English, French and many other languages, we also have three provincial libraries which serve the Acadian and Francophone communities with primarily French material.

One of the current highlights is a year-long speaker's tour which local libraries are hosting in partnership with the Anne 2008 celebrations. The year 2008 marks the 100th anniversary of the publication of *Anne of Green Gables* and local speakers are offering lectures on issues reflecting Island culture at the turn of the 20th century.

The first series of tours is underway now and I encourage everyone to try to take in one or more of these events. As a matter of fact, this evening at 7 p.m. at the Montague public library, Mr. Ed MacDonald from UPEI will be giving a presentation on Island society and culture during Lucy Maude Montgomery's time. For a full listing of all the lectures you can visit the website at www.library.pe.ca.

I would like to take this opportunity to invite Islanders to spend some time this month at a local provincial library. There are countless

opportunities to get involved in the library activities and to access a wide range of programs and services. Our libraries really do provide the world at your fingertips.

Thank you, Madam Speaker.

Some Hon. Members: Hear, hear!

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you.

It's great to have the minister rise in support of our Island libraries. It's great because when she was in opposition she was always a very strong advocate of the libraries on Prince Edward Island, and it's noted that she was always trying to get more money for the libraries when she was in opposition. That was one of her major roles, talking about getting more money, and getting more money for libraries. That we were so underfunded on Prince Edward Island. I'm glad to see that she's minister now and that she will supply all the libraries with the adequate funding that they need to do their job well.

Thank you.

Some Hon. Members: (Indistinct).

Speaker: Thank you. Thank you.

Presenting and Receiving Petitions

Tabling of Documents

Speaker: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you, Madam Speaker.

I beg leave to table a document with six hundred names of supporters to keep the Montague Regional High School in

Montague.

I move, seconded by the Leader of the Opposition, that the said document be now received and do lie on the Table.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Speaker: Thank you.

The hon. Provincial Treasurer.

Mr. Sheridan: Thank you, Madam Speaker.

Madam Speaker, by Command of Her Honour the Lieutenant-Governor, I beg leave to table the Annual Report for the Provincial Treasury for the period ending March 31st, 2006 and I move, seconded by the Honourable Premier, that the said document be now received and do lie on the Table.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Speaker: The hon. Minister of Development and Technology.

Mr. Brown: Madam Speaker, by Command of Her Honour the Lieutenant-Governor, I beg leave to table the 2007 Annual Report of the Department of Development and Technology for the period ending March 31st, 2007 and I move, seconded by the Honourable Premier, that the said document be now received and do lie on the Table.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Speaker: The hon. Minister of Development and Technology.

Mr. Brown: Thank you, Madam Speaker.

Madam Speaker, by Command of Her Honour the Lieutenant-Governor, I beg leave to table the 2006-2007 Annual Report of the Employment Development Agency for the period ending March 31st, 2007 and I move, seconded by the Honourable Premier, that the said document be now received and do lie on the Table.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Reports by Committees

Speaker: The hon. Government House Leader.

Mr. Vessey: Madam Speaker, as Chairman of the Special Committee on Committees, I beg leave to introduce the report of the said committee and I move, seconded by the Honourable Leader of the Opposition, that the same be now received and do lie on the Table.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Mr. Vessey: Madam Speaker, I move, seconded by the Honourable Leader of the Opposition, that the Report of the Committee be adopted as directed by motion of this House on July 6th, 2007.

The Special Committee on Committees has prepared a report listing the hon. members to compose the Standing Committees ordered pursuant to the Rules of the Legislative Assembly of Prince Edward Island. The names put forward by both the government and the opposition members of the Special Committee have been agreed to by all members of the committee.

Thank you, Madam Speaker.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Mr. Brown: Madam Speaker, point of privilege.

During the Tabling of Documents I forgot to table one document. Can I -

Speaker: Okay.

Tabling of Documents

Speaker: The hon. Minister of Development and Technology.

Mr. Brown: Thank you.

Madam Speaker, during yesterday's Question Period the Member from Georgetown-St. Peters asked for the employment-unemployment numbers for the previous year. I wish to table them now. Seconded by the hon. Premier.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Speaker: The hon. Minister of Agriculture.

Mr. LeClair: Madam Speaker, I'd like to table the document that I spoke about earlier, concerning the answers to the questions for the hon. member.

Speaker: Okay.

Shall it carry?

Some Hon. Members: Carried.

Speaker: Hon. Members, I also have a document to be tabled.

Pursuant to Section 119 of the *Election Act*, and by Command of Her Honour the Lieutenant Governor, I move that the Report of the Chief Electoral Officer of Prince Edward Island for the Provincial General Election of 28 May 2007 be received and do lie on the Table.

Shall it carry?

Some Hon. Members: Absolutely!

Speaker: Thank you.

Introduction of Government Bills

Speaker: The hon. Minister of Development and Technology.

Mr. Brown: Thank you.

Madam Speaker, I beg leave to introduce a Bill to be intituled *An Act to Amend the Liquor Control Act* and I move, seconded by the Honourable Premier, that the same be now received and read a First Time.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Clerk: *An Act to Amend the Liquor Control Act*, Bill No. 5, read a First Time.

Speaker: Hon. minister, a brief explanation.

Mr. Brown: Thank you, Madam Speaker.

Speaker: Brief.

Mr. Brown: This changes the *Liquor Control Act* in order to establish classifications for wineries within Prince Edward Island and the regulation thereof.

Thank you.

Speaker: Thank you.

The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, I beg leave to introduce a Bill to be intituled *Tobacco Tax Act* and I move, seconded by the Honourable Premier, that the same be now received and read a First Time.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Clerk: *Tobacco Tax Act*, Bill No. 2, read a First Time.

Speaker: Brief explanation, Provincial Treasurer.

Mr. Sheridan: Brief explanation. Thank you, Madam Speaker.

On the *Tobacco Tax Act*, we are moving now to try to collect on contraband tobacco that's being sold on Prince Edward Island and we are trying to make inroads on this. This is giving the inspectors some powers to proceed and try to stamp this out.

Thank you very much.

Some Hon. Members: Hear, hear!

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, I beg leave to introduce a Bill to be intituled *An Act to Amend the Financial Administration Act* and I move, seconded by the Honourable Minister of Education and Attorney General, that the same be now received and read a First Time.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Clerk: *An Act to Amend the Financial Administration Act*, Bill No. 3, read a First

Time.

Speaker: Brief explanation, Mr. Minister.

Mr. Sheridan: Thank you, Madam Speaker.

A brief explanation on this Bill is that it allows us to go forward and continue to invest our money, to borrow monies, and to continue the work of the Treasury.

Thank you very much.

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, I beg leave to introduce a Bill to be intituled *An Act to Amend the Revenue Administration Act* and I move, seconded by the Honourable Minister of Development and Technology, that the same be now received and read a First Time.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Clerk: *An Act to Amend the Revenue Administration Act*, Bill No.4, read a First Time.

Speaker: Brief explanation, Provincial Treasurer.

Mr. Sheridan: Brief explanation. It allows our tax administrator to move forward and to garnishee and take wages and collect tax for the minister.

Thank you.

Speaker: The hon. Provincial Treasurer. Are you all done?

Mr. Sheridan: Are we going to continue?

Thank you.

Madam Speaker, I beg leave to introduce a Bill to be intituled *An Act to Amend the Income Tax Act* and I move, seconded by the Honourable Premier, that the same be now received and read a First Time.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Clerk: *An Act to Amend the Income Tax Act*, Bill No. 7, read a First Time.

Speaker: A brief explanation.

Mr. Sheridan: Thank you, Madam Speaker.

This bill is an amendment to increase the disability tax credit amounts for the year 2007.

Some Hon. Members: Hear, hear!

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, Madam Speaker, I beg leave to introduce a Bill to be intituled *Appropriation Act (Current Expenditures) 2007* and I move, seconded by the Honourable Minister of Development and Technology, that the same be now received and read a First Time.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Clerk: *Appropriation Act (Current Expenditures) 2007*, Bill No. 8, read a First Time.

Speaker: Care to do a brief explanation, Mr. Minister?

Mr. Sheridan: A brief explanation that this just covers off all current expenditures for the Budget being tabled.

Thank you.

Government Motions

Orders of the Day (Government)

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, I move, seconded by the hon. Premier, that Order No. 2 be now read.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Clerk: Order No. 2, Consideration of the Estimates in Committee.

Speaker: The hon. Provincial Treasurer.

Mr. Sheridan: Madam Speaker, I move, seconded by the Honourable Premier, that this House do now resolve itself into a Committee of the Whole House to take into consideration the grant of supply to Her Majesty.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Speaker: Deputy Speaker, Chair of a Committee of the Whole House on supply.

Chair (Biggar): The House is now in a Committee of the Whole House to consider the grant of supply to Her Majesty.

The hon. Provincial Treasurer will address the House.

Mr. Sheridan: Thank you very much, Madam Chair.

Hon. members, I have come before you today to further discuss the Budget that was brought forward yesterday. I thought that I

would bring forward the major revenue variances along with the expenditure variances just so that it would be more clear before we head into estimates done by each and every department.

I hope that you will beg me the time to do that. I have asked my director of fiscal management to come and join us here on the floor in case there is anything that needs further questioning.

May I have permission?

An Hon. Member: Approved.

Mr. Sheridan: Doug Clow will now join us.

Mr. Bagnall: Can we have the Deputy Speaker put on the hat, please?

Chair: Oh, I'm sorry.

Thank you.

Mr. Sheridan: May I continue?

Chair: Yes, continue.

Mr. M. Currie: Madam Chair, (Indistinct) every minister comes to the floor that they provide us with a list of all contract services and expenditures. Do you have that to table for us? Pass out handouts?

Chair: No I don't believe so.

Mr. Sheridan: This is not for my department, hon. member. We're going to go through this. This is just to give you some major variances on both expenditures and revenues.

Mr. M. Currie: You're doing the Department of Provincial Treasury?

Mr. Sheridan: No, I'm not.

Mr. M. Currie: Which one are you doing?

Chair: We're doing a summary, a brief summary.

Mr. Sheridan: We're just going to give you a summary so that you'll have a better idea of where all the changes came from. There are some major variances. So I thought that I would bring forward to the House what those were. It would make it a little bit more clear. I will table this for you afterwards, certainly.

Chair: The minister will be addressing the House, Committee as a Whole, to go over his department's full expenditures.

Mr. M. Currie: Estimates?

Mr. Bagnall: Is he going to do his expenditures?

Chair: Not at the moment.

Mr. Sheridan: This is just a point that I want to bring forward just in these major variances, hon. members. Then I will be doing my own budget estimates at another time.

Mr. M. Currie: I don't know if that's ever been done before. You're here to do a Committee of the Whole to do your estimates.

Mr. Sheridan: This is something that we've asked to do differently this time around. We want to explain why the budget variances where so great.

Mr. M. Currie: Well, you do that when you're doing your estimates.

Mr. Sheridan: We're going to do that department by department, but at this point I'd like to do it for the entire budget.

Mr. M. Currie: That would be a minister's statement.

Mr. Sheridan: We don't believe it's a minister's statement. We believe that this is a difference in the Budget and we want to explain it to the whole House.

Chair: Yes.

Mr. Bagnall: This is a complete difference. He asked the floor to come on and do estimates. We've agreed to that.

An Hon. Member: No, he didn't. You didn't listen to what he said.

Mr. Bagnall: If the treasurer is not going to be doing his estimates, we may as well move on to whoever is ready to do it.

Mr. Sheridan: As you say, hon. member, it is something different, and as you'll see very soon we are a very different government than in the past, and we'd like to continue with this if you may.

Some Hon. Members: Hear, hear!

An Hon. Member: (Indistinct) the floor.

Chair: Shall we ask for a motion for the treasurer to -

Premier Ghiz: I'm wondering if the treasurer could give us an overview on what he was going to give us an overview on.

Mr. Sheridan: I would certainly like to do that -

Premier Ghiz: Great, thanks.

Mr. Sheridan: - hon. Premier.

We'd like to begin with revenue variances and we'll begin with the very first being the gasoline tax.

Leader of the Opposition: Can we have a copy of what's in front of you?

Mr. Sheridan: We'll table that, certainly.

Leader of the Opposition: Can we wait for that?

Mr. Bagnall: Can we have that then now, please?

Leader of the Opposition: So we can go through it.

Mr. Sheridan: All the numbers are in the budget.

Mr. Bagnall: I mean, you're throwing out numbers to us without any documentation.

Leader of the Opposition: Just tell us what page you're referring to.

Mr. Bagnall: If you're going to table it, table it.

Mr. Sheridan: Page 10 would do it for you. Okay? Pages 17 and 18 would give you most of the major changes as well having to do with revenues.

The first one we'll begin with is the gasoline tax. It is a hit to our bottom line of \$8,900,000. Two point one million dollars of that was from the previous administration's cap on the variable portion of the gas tax, which was very well accepted, and further is \$6.8 million and that is due to our 4.4 cents per litre decrease that we outlined in the very first week of our mandate.

Leader of the Opposition: Could we ask question?

Chair: Excuse me. Yes.

Mr. Sheridan: I'll accept questions.

Chair: There will be time for questions. Do you want him to go through it first?

Mr. Bagnall: No.

Leader of the Opposition: No, we'd like to go -

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: Thank you.

In relation to that \$6.8 million, the four cent decrease or whatever, can you give us an explanation of how much asphalt cost this summer?

Mr. Sheridan: How must asphalt cost this summer?

Leader of the Opposition: Exactly. Because with the gas tax it's typically used for paving, etc. So if you're going to give us an overview of why your revenue is gone or changed a little bit, you also have to tell us at the same time why some of the expenses are out of whack compared to the year before.

Mr. Sheridan: Expenses will be explained at a later date. I will explain the differences in the variances there. Each of the departments will explain their differences. I believe that transportation and public works will have those numbers for you. Gas tax doesn't reflect all having to do with the asphalt cost.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: Can I ask how long this is going to take?

Mr. Sheridan: Just as long as you want it to.

Mr. M. Currie: Well, that's not an answer,

but -

Mr. Sheridan: It will take us exactly 15 minutes if you allow me to bring these numbers forward.

May I continue?

Chair: If everyone is in agreement, we will continue.

Mr. Sheridan: Thank you.

With the gasoline tax, we were very pleased and proud to be able to bring this forward. We put this money directly back into the pockets of Islanders. The biggest point that I want to make with regards to this, this tax reduction was not taken lightly. When the Premier sat with the most official pieces of his group when we were putting together our run at this government, we knew that corporate taxes and sales tax were trending upward. We knew those numbers would offset the gasoline tax. What it did, you can see as these numbers dictate here, the corporate tax is scheduled to go upwards by \$6,800,000, the sales tax up by one million one. Those numbers would almost exactly cover off the gasoline tax.

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: The corporate tax, the expectation of it going up to \$6 million, is that because of the work that the previous government had to bring in, Trimark, Ceridian, a number of different corporations here?

Mr. Sheridan: It's all corporate tax on the Island and it reflects the growth that we have seen in the past year.

Leader of the Opposition: The past, and there are several projects that were being worked on with the previous government. Are those still on track to get that \$6

million? This summer a lot of things didn't move ahead. We're a year behind. So is that an accurate figure?

Mr. Sheridan: Those figures are very accurate. If and why any projects didn't go forward was probably because there was a problem in negotiation with the former administration.

We'll look at the next piece. The income tax for personal side is up \$900,000. These are all new major revenue variances, just so that you're clear on these. Changes that we enacted, one was a disability tax credit and that is going to cost up \$250,000, very well earned and placed monies.

The next item is our clean air and climate change and that is a \$10 million difference. On that variance, what took place is there was a \$15 million clean air and climate change monies come down from the federal government and it was put into one fiscal year. The way that these monies usually are spread out is over the nominal time period that the money is to be spent. The way it was, it was a three-year program to be spent \$5 million each and every year.

Under the Public Sector Accounting Board, in the spring time, the former administration looked at it and at that point the PSAB was considering allowing it all to be used under revenue in one year. That is the way that the former administration went forward and decided to do that.

Since the time period that has passed, PSAB heard from the deputies' table across the country and were upset with the way that that was to be allocated. They have taken it into consideration, have withdrawn the idea to do it in that fashion. It has been tabled and we have to revert to the way that it was done in the past, which is to do it in nominal fashion. Which is to take \$5 million each and every year for three years out over the

time period of the acceptance of the funds.

Chair: Could you speak up a little bit?

The hon. Leader of the Opposition.

Leader of the Opposition: Thank you.

I just want to clarify something that the minister is explaining then. Because yesterday when the budget was brought in, it sounded like people thought that the previous government had put \$15 million there under false pretenses. What you're explaining is that some things have changed since that agreement had been made to utilize the \$15 million on that particular year, this year. So what you're saying is the group that decided against that, that's why you had to make the change in the budget. Is that correct?

Mr. Sheridan: PSAB had made the change in their regulations, the way that they could see going forward to allow you to take the monies. So what had happened with the previous administration and their officials, they looked at it and had the option of doing that at the time.

Leader of the Opposition: Which they did at the time.

Mr. Sheridan: Which they did at the time.

Leader of the Opposition: Based under that understanding.

Mr. Sheridan: No question.

Leader of the Opposition: Thank you.

Mr. Sheridan: Yes. There was no insinuation otherwise in the budget.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you.

When did you get notification that that had to change?

Mr. Sheridan: That it had to change?

Mr. Bagnall: Yes?

Mr. Sheridan: There is no time line as to when it had to change.

Mr. Bagnall: I said: When did you get notification that it had to change?

Mr. Sheridan: There was no time when it had to change.

Leader of the Opposition: So does that mean you could choose to still have that \$15 million in this year in the one line item?

Mr. Sheridan: What has taken place in the deputies' meetings in July, when they got together and said that they were unhappy with the way the monies were accepted - what takes place is, when \$15 million comes into the coffers and is taken in in one year and then nominally spent over three years, it plays havoc with your budget, as you would all know and understand then.

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: (Indistinct) clarify which (Indistinct) you are talking about.

Mr. Sheridan: Pardon me?

Leader of the Opposition: Just clarify - you said the deputies - a few minutes ago it was a professional group. Which deputies are you (Indistinct)?

Mr. Sheridan: Deputies' chairs meet with PSAB.

Leader of the Opposition: Sure, so the deputies across the province.

Mr. Sheridan: Across Canada, across the country.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: You mentioned that you were notified that from where the money was coming from was where again?

Mr. Sheridan: What's the group called?

Mr. Bagnall: Yes.

Mr. Sheridan: The Public Sector Accounting Board, PSAB.

Mr. Bagnall: No, where the money is coming (Indistinct)?

Mr. Sheridan: Where is the money coming from?

Mr. Bagnall: Yes.

Mr. Sheridan: It's called the clean air and climate change.

Mr. Bagnall: Okay. So you were telling us that they changed, they didn't like the way the money was coming down, and told you that it had to be changed, correct? That's what you told us a minute ago.

Mr. Sheridan: I'm not sure if the hon. member is listening to what I said.

Mr. Bagnall: I'm listening -

Mr. Sheridan: There's no contradiction here. What we're saying to you is, this is the orders this group, this PSAB that puts out these regulations as to how federal dollars are to be spent inside the provinces of Canada, this is the group that we listen to,

and who the officials work with and try to do due diligence on accounting principles.

If you're listening to what I said, I am placing no blame on the former administration.

Mr. Bagnall: (Indistinct) that.

Mr. Sheridan: What I'm saying to you is that PSAB has taken back what they have said about how the money is to be spent, due to the difficulties it has caused the provinces in how they are going to allocate these federal funds.

So at that time we said: We are going to spread these dollars out over three years as it is done in the usual manner.

Mr. Bagnall: Can you table that letter of where it advised you to do that for us, please?

Mr. Sheridan: We will look at something in that fashion. There'll be no letter that was passed down. There are meetings that took place.

Mr. Bagnall: There would be minutes from the meeting or motions to that effect. If that came from a meeting there would be a letter stating that that was the indication of it.

Mr. Sheridan: We'll look into that and try to get some minutes of the meeting that would show what was discussed at the meeting.

Mr. Bagnall: Okay, thank you.

Mr. Sheridan: Thank you.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: If you're only allotting \$5 million for this year, where did you park the

other 10?

Mr. Sheridan: It's totally deferred revenues, and it's put on the liability side of the balance sheet for this time period.

Mr. M. Currie: So you have your hands on it?

Mr. Sheridan: We have our hands on it. Thank you very much.

Mr. M. Currie: Thank you, that's all (Indistinct).

Mr. Sheridan: Health tax on tobacco, \$7 million variance. We've spoken to it earlier today with regards -

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: I have a question.

Earlier this afternoon you mentioned that you're going to bring in legislation, I believe, on the tobacco tax act on collections.

Mr. Sheridan: Correct.

Leader of the Opposition: Why are you going to do that?

Mr. Sheridan: We are going to try and correct the problem that we have in shortfall on these monies. We have problem with contraband here on PEI and it's -

Leader of the Opposition: Okay, to the tune of how much money?

Mr. Sheridan: How much do we hope to recoup?

Leader of the Opposition: Yes.

Mr. Sheridan: We will hopefully see some

kind -

Leader of the Opposition: It's a little bit over \$7 million which is the reason of intent of the tobacco amount that was in the budget in the first place.

I just wanted to clarify that, because with the tobacco tax act I presume you're bringing it in because you want to follow up with how much contraband and how much money the province is actually losing.

Mr. Sheridan: Definitely.

Leader of the Opposition: Thank you.

Mr. Sheridan: What the problem is with this is that, when laying out any kind of budget in the spring, when we're looking at what actual revenues were last year - \$23 million - and then lay out a budget to the amount for \$27 million, knowing that smoking rates are going down and knowing that contraband is rising, we had to have some movement on tobacco tax act at that point so that we could possibly regain some of those taxes. It would be impossible inside this tax year to get to \$27 million.

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: In terms of - I just want to clarify. Usually on contraband, the reason why you're trying to bring it in, no one's paying taxes, correct?

Mr. Sheridan: Correct.

Leader of the Opposition: So back in the spring when the budget was brought in in anticipation that we were going to form government again, that would have been a viable argument, knowing the year before how much dollars according to police agencies that were escaping taxation, correct?

Mr. Sheridan: That's what our hope is, that's what we're going to do, so that's -

Leader of the Opposition: Thank you.

Mr. Sheridan: We would hope that you were going to make some kind of move towards that.

Leader of the Opposition: Absolutely, thank you.

Mr. Sheridan: Golf Links PEI and park revenue, \$1.1 million. This has been a chronic problem, over-budgeted as in revenues, and we are trying to correct that now and trying to ascertain where the proper amounts are.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: What are the revenues from Golf Links, then?

Mr. Sheridan: What are the revenues at this point with the 1.1 reduction? Do you have those numbers there, Doug?

Mr. Bagnall: Yes. Before the 1.5 reductions. Before you did anything, what's the revenue?

Mr. Sheridan: The revenues were budgeted to be \$5,726,900 and now the revised budget estimate is \$4,726,900.

Mr. Bagnall: What are the actual figures? Why would you revise them?

Mr. Sheridan: Why would we revise them?

Mr. Bagnall: Yes.

Mr. Sheridan: Because we have numbers now that are reflecting just that.

Mr. Bagnall: Okay, so what are the

numbers?

Mr. Sheridan: I don't have them with me here today. I can table those.

Mr. Bagnall: Can you table them tomorrow?

Mr. Sheridan: We will look toward that.

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: When you based that reduction of 1 million, was that based on this year's figures or would that be on an average of the last five years? Because typically in business, it goes up and down.

Mr. Sheridan: Based on this year's (Indistinct).

Leader of the Opposition: Why would that (Indistinct)?

Mr. M. Currie: Can we have a copy of what you got?

Mr. Sheridan: Of what I'm talking to here? Certainly.

Some Hon. Members: (Indistinct).

Mr. Sheridan: Do people have copies of this?

Leader of the Opposition: Except for us.

Chair: The opposition doesn't have copies.

Mr. Bagnall: (Indistinct) give it out (Indistinct).

Mr. Sheridan: I didn't realize anyone had them, to tell you the truth, hon. member.

Some Hon. Members: (Indistinct).

Mr. Sheridan: Sorry, hon. member, I didn't

believe anyone had this copy. It's beyond my recollection.

Some Hon. Members: (Indistinct).

Mr. Sheridan: The next major revenue variance is on the canned beverages. We're down \$1 million on the tax that was hoped to be recouped on the reused cans. At this point we will not realize these dollars, obviously because the program was not ready to be rolled out when it was introduced in the spring. So we have to reallocate those funds and it's a loss of \$1 million.

Mr. Bagnall: Isn't that due to the fact that you guys decided that rather than go ahead with the program that you're going to bring in a consultant to study it? So the revenues that aren't going to be there are because you postponed it?

Mr. Sheridan: Hon. member, the answer to that is that the program was in no way, shape or form ready to be rolled out. We were led to believe this by the former administration. It's very embarrassing, but we had to do the work that was supposed to be done by your group. I'm sorry, but we had to start again.

Mr. Bagnall: I understand that it was ready to go. So it's just a matter of opinion on (Indistinct).

Mr. Sheridan: Completely and utterly unready to go, in any way, shape or form. No program was in place ready to collect the cans or do anything with it. Nothing was ready to be done.

Chair: Question from the hon. Leader of the Opposition.

Leader of the Opposition: Just a question in terms of there's a lot of expertise in the provincial government. We have qualified

staff, a number of people now that are assistant deputy ministers, deputy ministers, as well as special project. My question is just simply: Could they do this work rather than an outside consultant?

Mr. Sheridan: If it would take as long as your administration was to put this project together, then I guess we had better get some help.

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: I just have a question in terms of in regards to the decisions you've made since taking office in June, have you got the internal expertise to be able do the work without going to an outside consultant?

Mr. Bagnall: I'll defer to our Minister of Environment, Energy and Forestry.

Mr. Webster: Madam Chair, when we came into office there was no official plan whatsoever to handle the cans and recycling.

We had to develop that. We're in the process of doing it at the moment, and we'll be going forward with our project and our plan in the next coming months.

Mr. Sheridan: The final major revenue variance has to do with the corporate capital tax. Just for point of clarification, hon. member, just the difference on that, I think you were referring to that difference yesterday when you were talking about why retail sales tax would be up and this would be down. Capital tax has to do with the banking institutions on our Island, and the national banks that are here.

So corporate tax is up, just to refer to why your numbers - why it wouldn't have made sense. So it does, corporate tax and sales tax are up. This is the corporate capital tax and the banking industry is reporting that we're

going to be down \$1.5 million.

Any other questions having to do with the major revenue variances?

Yes, sir.

Mr. Brown: (Indistinct) \$15 million transferring over to the PEI Energy Corporation and then out.

In prior years, PEI Energy Corporation in their financial statements always had a statement in their books that read like this: Revenues are recorded in the period in which the transaction or the event that gives rise to the revenue occurs. Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the Corporation discharges the obligations that leads to the collection of the funds.

So you're saying that \$15 million came in from Ottawa, but only \$5 million was going out in expenses. So they weren't matching what was traditionally the package, traditionally done?

Mr. Sheridan: Can you talk to that, Doug? As to how that wording is? Do you know anything (Indistinct)?

Chair: The deputy minister. Could you please speak up?

Mr. Clow: The wording you're referring to there, I believe, is the note of disclosure in the financial statements of the energy corporation. The \$15 million originally was going on conditional to the Crown corporation and we would have to see how the auditor from the Crown corporation treated that (Indistinct).

Mr. Brown: But in the past -

Mr. Bagnall: We can't hear what he's

saying.

Some Hon. Members: (Indistinct).

Chair: Perhaps we can get you to speak (Indistinct). You'll just have to raise your voice a little more.

Mr. Clow: Sorry about that. Sorry.

Basically the revenue would have went directly to the energy corporation. There was no commitment to the energy corporation as to how they were to spend it in that year, or what year. As they spend it, it would have been up to the auditor from the energy corporation to look at that section of their revenue recognition.

Mr. Brown: So also, just in other areas that money was received in this way, let's take the wait time reduction money: \$18.2 million was received from the government of Canada. Revenue is recorded for the time frames established under the trust established by the federal government.

So that \$18.2 million was to be - it was basically banked and put aside, and each year in your public accounts you have \$2.7 million coming out, or recorded as revenue in the year 2005, and 2006 another \$2.7 million, 2007 \$5.1 million, 2008 \$5.1 million, and 2009 \$2.6 million. So, we got a bunch of cash from Ottawa, wait time reduction money, and as we spent it, we recorded that as revenue. That has been the tradition of governments?

Mr. Clow: That's correct.

Mr. Brown: Thank you very much.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: One question, and that's on clean air and climate change, \$10 million

again. I'm back to that \$15 million. Did we receive \$15 million to date?

Mr. Sheridan: Yes, we did.

Mr. Bagnall: So where does that money go? Does it not show up in revenue? When the \$15 million comes into Provincial Treasury, does that not show up as revenue?

Mr. Sheridan: No. Do you want to speak to that? (Indistinct).

Mr. Clow: The \$15 million, when it comes in in cash, it depends how the revenue recognition is. Usually on the federal revenues in the past, on a consistent basis, we would record them over a nominal time frame. Even though you received the cash, you would record it over the nominal time frame. I think the hon. minister mentioned that relating to the wait time reduction and the medical equipment fund as well, were two. The minister described earlier about the change in accounting, exposure draft relating to recording of revenue, and since that has been delayed, we're currently reverting to the way revenues have been recorded in the past and to be consistent to that.

Mr. Bagnall: So just to get this clear, on our books this year, for revenue coming in under this program, it's \$5 million.

Mr. Clow: Correct.

Mr. Bagnall: So the other \$10 million goes into trust and shows up nowhere in revenues.

Mr. Brown: It shows up in your balance sheet under deferred revenue and credits. We put it on - we banked it -

Mr. Bagnall: (Indistinct) show up in your revenues at all, then.

Mr. Brown: No, (Indistinct) spend the money, we bring the money in as revenue, and then we spend it.

Mr. Sheridan: When we defer like this, hon. member, we'll allow anyone to speak in the House, but the way that the monies would go when it comes out of deferred cash as we're talking about here, we'll spread it out over the nominal time period.

So next year we'll take \$5 million out of that, put it into revenues, and spend it, so that it reflects exactly what the program is supposed to do. Five million dollars this year, we'll spend it, \$5 million next year and we'll spend it, \$5 million in year three and we'll spend it at that time.

Mr. Bagnall: So just to get this clear, under this year's budget, we will not see \$15 million show up as revenue anywhere? But we will see \$5 million show up on your revenue account.

Mr. Sheridan: Correct.

Mr. Bagnall: The other \$10 million will never show up anywhere in any statements that you do, other than deferred income?

Mr. Sheridan: That's correct. Five million dollars this year, \$5 million next year, and \$5 million in year three. It will all be spread out and spread across the nominal time frame of this project.

Mr. Bagnall: Okay.

Mr. Sheridan: Okay? Got it? All right.

Everyone else comfortable with the revenues? We'll move on to our expenditure page. Page two of your handout.

We'll start with support to the agriculture industry. Hog producers, \$2 million - 1.5 million of that is the windows program that

offsets the low prices that hog producers receive. You know as it goes, the price drops so much below a certain price per pound, we supplement them and pay them out. That money sits there and they receive the dollars as they take shipment to the plant.

Mr. Bagnall: And the other \$500,000?

Mr. Sheridan: The \$500,000 is there in the form of what we actually (Indistinct). Just interest rate adjustment. The interest holiday in all of their loans that are outstanding with the province. There's about an \$8.9 million outstanding loan program to the hog program right now and we've given them another interest holiday. So that \$500,000 -

Mr. Bagnall: So no actual dollars take place though. It's paper transaction?

Mr. Sheridan: Well it's a loss to the lending agency. Five hundred thousand interest holiday. So it's interest that will not be collected from the hog producers.

Mr. Bagnall: So it was taken off the books for the hog people then, or is it still on the books for the hog people?

Mr. Sheridan: They owe that interest, so we're going to give them monies from the treasury that will pay the lending agency for that \$500,000 in lose of interest.

Mr. Bagnall: So they will- even if they get profitable they don't have to pay that 500 back?

Mr. Sheridan: No, this we won't have to worry about through this nominal time frame. What's happen now is -

Mr. Bagnall: That's not the question. I said do they have to pay it back if they -

Mr. Sheridan: The interest will be forgiven

for this year.

Mr. Brown: So you want them to pay it back in this hard times?

Mr. Bagnall: No, no, I'm not saying that, I'm just asking the question. Do they have to pay this back or is it forgiven?

Mr. Sheridan: This is forgiven. This is an interest holiday. We're going to try to get these hog producers through this time period.

Mr. Bagnall: Yes, and I agree.

Mr. Sheridan: You've been following this. I think you know the file.

Mr. Bagnall: No, I agree with you 100%.

Mr. Sheridan: That's great.

Mr. Bagnall: I'm just trying to find out if this 500,000 has to be paid back by the hog producers, yes or no.

Mr. Sheridan: This is an interest holiday. It will be forgiven. It is interest only, it's not anything to do with their principle amount. So they will be forgiven this interest holiday for this year.

Mr. Bagnall: Okay.

Mr. Sheridan: Yes.

Chair: The hon. Minister of Development and Technology.

Mr. Brown: I just want to clarify something. So the Member from Georgetown-St. Peters today said we're doing nothing for the hog industry. So you're saying we're increasing a bridge loan financing by \$1.5 million and giving them an interest holiday of \$500,000?

Mr. Sheridan: Correct.

Mr. Brown: Okay. They should get better research done over there.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: I guess what you should have said is that the 1.5 program was put through under the previous government and the 500,000 was put through under your - you've got a long ways to go yet to catch up.

The beef plant, 1.5, is that money already gone?

Mr. Sheridan: The next item on our sheet is the beef plant assistance. We will skip over your hog plant if you want to go right to the question, hon. member. We will explain to you the most disappointing part of taking over this government was your pure disregard for the beef plant. We have no idea how it got to year three in the state it was in. It's the most embarrassing piece that I've ever seen handled by a government.

When we took over this mandate and walked in, within a week we realized that the beef plant was in dire straits. We, kudos to the Premier, decided to come forward and be very up front and transparent with Islanders. We had to show that this beef plant was bleeding terribly and we had to try and fix this. Five hundred thousand dollars a month the beef plant was losing and had been losing for two and half years.

Leader of the Opposition: Question.

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: I'm not sure if you're giving us an explanation or a rationalization. If you're going to talk about how much dollars goes to support agriculture, I think that has to come to the

fact what kind of policy decisions you guys may want to make as government.

I know for us we were really committed to agriculture and still are, whether it's beef or whether it's hog. When you sit down and you think of the investment that Islanders make every day to health to the tune of at least 1.5 million every day is invested in the health of the province, in terms - we don't apologize that we actually believe in agriculture in the province.

So please continue if you're giving us an explanation of why you have - explanation about why you're investing the 1.5 million. We don't need the rationale of what happened behind. Since May 28, 2007, you guys are in the chair.

Chair: The hon. Premier.

Premier Ghiz: Thank you very much, Madam Chair.

It's my understanding that with the beef plant what was happening - and you can correct me if I'm wrong - that it was losing up to \$600,000 a month in May of this year. Which would equate to somewhere, I guess, around \$7.2 million a year. I don't know - you have to balance things, I think, between supporting something that is a sinking ship and supporting the taxpayers of the province. I don't think you can go in blindly and just throw money at things. You have to do it responsibly.

The agriculture community, from what I understand, doesn't want money just thrown at them if they're going to continue to lose money. They also want to be profitable. They need government to work with them to be profitable. I think that's what your trying to do now, is try and make sure that your working with the agriculture community to make sure that this plant can work.

Mr. Sheridan: Thank you very much, hon. Premier.

I don't think there's any question at all as to what we're speaking about on this behalf. Support of agriculture doesn't allow \$500,000 a month bleeding. It means stepping in and trying to assist, and that's just what the Premier did in the first week of our mandate.

So at that time we came forward with \$1.5 million to support the cash flow problem that the plant had, to try to give them a 90-day window to try to work toward fixing what ailed them, and we have made some tremendous inroads in that time period. That \$1.5 million was the amount that we allocated to them to use as cash flow to get them through to a time that we could try to get a fix in place.

Happy to report that \$1.5 million has not been spent to date because of the changes that we put in place from June 19th or whenever it was that we made the money exchange to them.

Since that time we have gone in and had great conversations with our sister provinces. We have no idea why the previous administration did not do this. We don't know why - when I met with my cohorts four days into my mandate and spoke to the provincial treasurers and financial ministers from other provinces - they had never heard of the problem. I am baffled why we would sit here and not have our sister provinces, who benefit greatly from this beef plant, not know of what was going on with the previous administration.

It's been our largest disappointment. We are very pleased to have given this 1.5 and we believe we're very close to being able to (Indistinct).

Chair: The hon. Member from Montague-

Kilmuir.

Mr. Bagnall: The provinces have told you that? Because I guess what I'll do is get a hold of Ron Ouellette and Brook Taylor, because if that's the case they were lying to you. I'll see you when they talk to you, if that's the case, hon. minister.

Mr. Sheridan: These are finance ministers that we're speaking about.

Leader of the Opposition: (Indistinct) question under agriculture.

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: When you talked about the efficiencies that were put in place at the beef plant, is that what you were referring to, that as of June some things started to turn around?

Mr. Sheridan: We brought in a professional, yes, that would help in the on floor changes, but the biggest changes has been the way that we've gone out to market the product. Kudos to the Premier again. That lead us to dealings with Loblaw's and Sobeys, our major retailers, and we are well on our way to changing the whole way that we market the product. We're very excited by the prospects.

Leader of the Opposition: Could you just go back with the questions in terms of the efficiencies? I believe, if memory serves me correct, maybe around January or February of this year, there was an outside consultant group that was working to look at efficiencies in the plant at that time. Are you talking about some of the implementation strategy around procedures in the actual beef plant?

Mr. Sheridan: If you'd like to get into details with this I can defer to the Minister of Agriculture. If you want to continue on

with the variances I can do that. Whichever the members of the House would like to do.

Mr. Bagnall: I guess I have a question there, hon. minister. We know that in the beef plant they were securing major loses in the latter part of last year. We also know that in the first four months of this year the losses went down drastically. Then when the price of beef went up major, it turned around and caused cash flow problems with the plant.

If you're minister of finance, you know that. You know that where the difficulties came in in May with 500,000, is that the beef went up to \$1.58 to \$1.62 per pound. Since that time the beef has dropped down to \$1.28 a pound, as it is today, which does not put the pressure on their cash flow. That's why there are better - or negative - or better cash flow (Indistinct) they have today. It's not because of the other thing, although it has been declining and I got to give you credit, because you continued on where we started on it.

But we still got a major problem there regardless of how much it's losing because right now it's probably losing about 250,000 a month, I'm guessing. I don't think we're down below that at the present time.

Mr. Sheridan: Thank you for your comments on that. Great.

Mr. Bagnall: So what I'm saying is that, regardless of what it is, we have to protect the primary interest of our province. It's good to see that we are bringing consultants in and people to try to get this back under control. Have we got a replacement for the manager there yet that's leaving? (Indistinct) is leaving, so has there been a replacement brought in or hired for him (Indistinct)?

Mr. Sheridan: I think the best part about

this, we put this off for a further time for discussion. We'll move on and do the rest of the variances if that's all right with you, Madam Chair.

Chair: Question first from the hon. Member from Georgetown-St. Peters.

Mr. M. Currie: I just have one quick question, minister. The Premier and the minister of development a number of times in a previous life indicated that part of the reason we were losing money per month was the lease. They had wanted or suggested that we pay that off and take that 100,000 a month, \$1.2 million a year lease, off the operating line. Is that being considered?

Mr. Sheridan: It is being considered.

Mr. M. Currie: Thank you.

Mr. Sheridan: Thank you. We'll move along with our major changes and variances in expenditures.

The next piece is the physician recruitment and retention of \$1 million and we're very proud and pleased to bring this forward and we will improve the health care here on Prince Edward Island.

Our support for seniors and disabilities. They're increasing community care rates of \$675,000 per year. As you know, that echoes the change in bed costs to \$49 a day to \$55 a day. Really helps those community care homes taking care of those that can't afford to take care of themselves.

Disability Support Program, \$675,000, reflects the change in how we're going to do income testing on the parents of those children with disabilities. Very pleased and proud to be able to bring that one forward.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: Did you announce yesterday no income testing on disability support?

Mr. Sheridan: We're looking into a full study on the full disability side. But this portion is looking at parents with children with disabilities and there will be no income testing done on those parents.

Mr. M. Currie: Okay, thank you.

Mr. Sheridan: The final part under the support for seniors and disabilities, the senior home repair, \$350,000. Very happy to restore that program. Hopefully it will do a great job in keeping seniors in their homes a little bit longer.

Support for fisheries and aquaculture. Our low interest loan program for fishermen, that \$4 million has to do with the provision for loan loss. We have looked at what could possibly go out in the form of loans, which would be \$40 million. If that is the case we have to set aside 10% of that, which is \$4 million, for a provision for possible loan loss. We're hoping against hope that we won't need that, but that had to do with our auditor general. We have to do that with good accounting principles.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: You usually do it after the fact, you usually allow about 10% for risk. You're doing this in advance.

Mr. Sheridan: We certainly looked at that, and we would have loved to have been able to do that. The money was going to be spent in this time period. So they want us to allocate it in this time period and so they want us to allocate it in this time.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: We're going to have \$40 million in loans in this period time?

Mr. Sheridan: The time frame for the loan program only goes until March 31st. They have to have their loan application in and processed by March 31st of this year.

Mr. M. Currie: How many loan applications are in?

Mr. Sheridan: I'd have to defer to the minister on that. Whether we want to continue to go that way. (Indistinct) do that with their estimates. He'll do that.

Thank you.

The \$600,000 is coming from treasury to the lending agency for the loss in the differences of the interest rates. Usual rates are brought down to the 4% that we're offering for this low interest rate. So \$600,000 would be a loss to the lending agency.

The next piece is fisheries and aquaculture, cost of new department, \$360,000 is the cost for this year to establish our new office for the fisheries and aquaculture department.

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: Just on that, the dollars for the cost of the new department. That's the fiscal dollars or does that include extra salary dollars as well?

Mr. Sheridan: Those are salaries and all. They'll be covered inside his estimates as well.

Leader of the Opposition: So the only cost was \$360,000 to date including the physical structure.

Mr. Sheridan: Everything that has to do with it, yes.

Leader of the Opposition: The new deputy as well as (Indistinct).

Mr. Sheridan: You'll see that, he'll have it in his estimates. He'll explain all that to you.

The last piece under support for fisheries and aquaculture is the seaplant quality initiative. That's \$250,000, that's the Irish moss issue in the west end of our province and we're trying to keep those that are under great duress there and small income groups. It was an initiative that we needed to step forward right away on.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Is this being in grants?

Mr. Sheridan: No it's not. This is -

Mr. Bagnall: How is it being handled?

Mr. Sheridan: Is the minister back?

Mr. Brown: The Irish moss?

Mr. Sheridan: Yes.

Mr. Brown: It's three sea plants came through the department of development, three plants up in the Tignish area, and loan guarantees were given to each plant.

This time around what we did is said quality has to be assured. A quality inspector was hired to go up to the Tignish area and watch the mossers pick the moss and make sure that we get quality moss in order to sell it to Europe. I understand there are eight or nine containers ready to go and they're just waiting for the sales. When the sales are done, they'll give the money back to us as the cash flow comes back to each company. It's a way to bridge finance the three companies in the Souris area in order for us to -

Mr. Sheridan: The \$250,000 is simply just a provision for doubtful recovery. We had to do that in order to keep up with the good accounting purposes and we wanted to make sure that was in place.

Mr. Bagnall: That's been spent so we gave them 25 million?

Mr. Sheridan: Just do the math again.

Mr. Bagnall: Two point five million.

Mr. Sheridan: Right on.

The next piece is the Office of Bioscience and Economic Innovation. That is \$410,000 and that will be brought forward and explained with their estimates. That Office of Bioscience and Economic Innovation will return to us greatly ten times the amount that we would see there.

Mr. M. Currie: (Indistinct) -

Chair: The hon. Leader of the Opposition.

Mr. M. Currie: - would know all about that. Is this in the Premier's office? If all these people are going in there - you'd need a shoe horn to get in there now. Are they all there?

Mr. Sheridan: Would you like to speak to that, (Indistinct)?

Premier Ghiz: It's basically still under development and technology. What it is is a new little area and they'd report directly to me, this deputy minister. Because like you, we're doing previously in the previous government. Even when I was on on election night, what was the legacy with the previous government? They continued on with the going into the bioscience, I thought it was a great idea, and I wanted to take that and make sure that we moved it along even further. Because the great thing about the

bioscience, as you well know, is that you can tie it back to our primary industries of agriculture and fisheries. I wanted to make sure that I gave it the highest possible priority so that the deputy would report to myself.

An Hon. Member: Thank you.

Chair: The hon. Leader of the Opposition, question.

Leader of the Opposition: I just wanted to clarify. The \$410,000 again is just for salaries, is it, or is it for program dollars?

Mr. Sheridan: They'll explain that inside the estimates. I can't tell you exactly what it's all made up of but we know it doesn't cover that kind of cost.

Leader of the Opposition: You're just explaining the difference in terms of numbers.

Mr. Sheridan: These are variations that you would see from our budget to the one that was tabled by the previous administration.

Leader of the Opposition: So you're going to get to the variance or the difference in terms of general government spending to the tune of 5 million in the difference of the million coming out of QEH salary, for example. Because it just goes back to some of the initiatives that look like are being explained but there is money that's gone from someplace else. I just wanted to know if you're doing all the explanations of that today.

Mr. Sheridan: That would be found on page 97, the requirements on the biosciences office.

Leader of the Opposition: Okay.

Mr. Sheridan: The major variances is what

I'm explaining to you today -

Leader of the Opposition: You're doing the major ones, so 5 million is not major?

Mr. Sheridan: - so that would - very straightforward explain to you why we're at with our budget.

Leader of the Opposition: Okay, thank you.

Mr. Sheridan: The next piece that we have is the election expense: \$938,400 was not put in the budget to run this last election. I guess the election wasn't foreseen.

The Island Waste Management Corporation is the next piece, the tire disposal.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: Is this 900,000-some for the by-election?

Mr. Sheridan: No, for the election. The election wasn't put in the budget.

Mr. M. Currie: What would the by-election cost?

Mr. Sheridan: The by-election was very cheap because they didn't have to do any -

Mr. M. Currie: Enumeration and stuff like that.

Mr. Sheridan: - enumeration or anything. Actual numbers, we'd have to check.

Mr. Brown: Elections cost what?

Mr. Sheridan: Nine hundred thirty eight thousand four hundred dollars.

Mr. Brown: Nine hundred thirty eight thousand dollars. Well, you know what?

I've been talking to Islanders across PEI, they said this is the best \$935,000 they ever spent.

Mr. Sheridan: Thank you.

Chair: Ready.

Mr. Sheridan: The next piece is the Island Waste Management Corporation and Tire Disposal.

We were sitting on a number of tires, in the vicinity of a million tires, for a number of years out in the Sleepy Hollow storage and out in the West Prince waste management area. They have become a fire hazard and environmental hazard and we needed to move on these right away and we've done that. Seven hundred and fifty thousand dollars this year, \$700,000 next year. Tendering process was used to do this and we'll move them out. Another move for our government in the early days.

The next piece is to support for environment and watershed management and I think they all speak for themselves. We're very proud of what we've put in place here. As I explained yesterday, the new watershed management fund, \$350,000, tremendous money spent on volunteers that do a tremendous work for us across the province and we're very happy to support them.

Chair: The hon. Leader of the Opposition.

Leader of the Opposition: Just a comment. Since most of the detail is in the budget as we start going through line by line item, we accept your explanation to date and we can move forward.

Mr. Sheridan: Wonderful.

Mr. Bagnall: Yes, you can continue on with the estimates.

Mr. Sheridan: You're ready to carry it, thank you very much. You accept all of it. We appreciate that and appreciate your understanding.

Chair: We're going to be moving to page 38 of the Budget Estimates.

Department of Communities, Cultural Affairs and Labour.

Mr. Bagnall: Excuse me. I had a conversation with the Government House Leader today and he told me on the floor today on estimates that the Provincial Treasurer would be coming on the floor with his estimates today. I said: Are you sure? Because I want to make sure of this and I was confirmed twice from the hon. Government House Leader that the Provincial Treasurer was coming on to the floor with his estimates today.

Mr. Sheridan: We have a full schedule of how we're going to present our estimates. It's been put together for a number of days. I don't know where the confusion came from.

Premier Ghiz: He probably meant Provincial Treasurer is coming on to do his front part of the estimates. If it was a mixup, we apologize for it. But we're now, we're calling - nothing you can do about it - now we're calling the hon. Minister of Communities, Cultural Affairs and Labour. If we made a mistake, we apologize.

Mr. Bagnall: I guess what I want to ask there, you say you have a schedule. Could you give us that schedule? Let us know when members are coming on, because you said you have a schedule plan. You're following it. You should give it to your Government House Leader because he told me today that Provincial Treasurer was coming on with estimates today.

Mr. Sheridan: I think that what you're

hearing, hon. member, that there was confusion in what the Provincial Treasurer was presenting. I was coming on to give you an overview of what the major variances were. There was very major difference in our budgets and I wanted to explain that. I don't think it was fair for you to sit there and not have that before we went into estimates.

Mr. Brown: Good idea.

Mr. Bagnall: I guess what I say, then, will you give us the information as to when the ministers are coming on with their estimates? So that we won't get into this confusion again in the future.

Premier Ghiz: Absolutely.

Mr. Bagnall: Thank you.

Premier Ghiz: We know that there's going to be ministers travelling. As you know, it happens all the time. We know right now that the Minister of Communities, Cultural Affairs and Labour is going first, and we know that the Minister of Development and Technology is going second. After that we believe it's probably going to be the hon. Minister of Tourism and after that, honestly, we don't know yet, but we'll let you know.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: I accept that, hon. Premier. Thank you very much for that. But I think maybe in the correspondence you should let your Government House Leader know, because you're embarrassing him by doing things other than what is scheduled. You give him one bit of information and go against him. Makes it hard for him to do the job, let alone tell me. So if you can relay that along to your Government House Leader it would be appreciated.

Premier Ghiz: Thank you very much. Perhaps you could follow the information a little bit better next time.

Chair: Minister, page 38.

Ms. Bertram: Madam Chair, perhaps at this time I would ask unanimous consent to bring my policy administrator on to the floor, Kevin Barnes.

Chair: All agree?

Some Hon. Members: Agreed.

Ms. Bertram: As Kevin is coming onto the floor, I'm also going to ask our deputy to invite all our directors into the Speaker's gallery, because I would like all the new members of the Legislature and everyone to put a face to the names of our departments.

So maybe I'll get them to stand when I call their names. I will ask our deputy minister to stand first, Deputy Minister Tracey Cutcliffe. We have Susan MacKenzie, Public Safety Director; we have Albert MacDonald, Planning and Inspection Services; we have Harry Holman who is our Culture, Heritage and Libraries Director; we have Roy Doucette who is our Labour and Industrial Relations Director; we have John Morrison as our Sport and Recreation Director.

I thank them all for coming in today.

Some Hon. Members: Hear, hear!

Ms. Bertram: Those are the faces, along with Kevin to my (Indistinct) is - who is with me today as administrator.

I also would like at this point to thank our 149 full-time employees in our department for all their hard work. We thank them as a new government as well that we will be working with them into the future. So I'll

thank you directors for coming in and you can be excused.

Thank you.

Chair: Questions by the hon. Leader of the Opposition.

Leader of the Opposition: Madam Minister, I just wanted to - in addition to this staff, where would Ron MacMillan fit? This morning we asked the question and I understand he's doing work on labour files and infrastructure files. So he's an additional person to your staff?

Ms. Bertram: No, he is not. He's under the Executive Council.

Leader of the Opposition: Okay. But he's doing work out of your department?

Ms. Bertram: He is the chief negotiator.

Leader of the Opposition: On the labour market -

Ms. Bertram: Labour market agreement -

Leader of the Opposition: And the labour market falls under your department.

Ms. Bertram: Under development.

Leader of the Opposition: Development, okay. Thank you.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Can we have your - Kevin is your what? What is his position with your - what is your position, Kevin?

Kevin Barnes Director: Director of Policy and Administration.

Mr. Bagnall: Director of Policy and

Administration. So you do the finance part for the department?

Kevin Barnes Director: Yes I do.

Mr. Bagnall: Thank you.

Chair: We'll be starting with Policy and Administration.

Mr. Bagnall: On page -

Chair: Page 38.

Leader of the Opposition: Maybe we can get the minister to give us an overview of the department because now it has a new title.

Ms. Bertram: Thank you, Leader of the Opposition.

As you know, labour did fall under this department in the past. However, as a new government, and as our Premier wanted that recognized in our title, so it's an addition to the title itself. Is there anything else you would like to -

Mr. Bagnall: Just give us an overview of your department, what you're doing, what's happening.

Ms. Bertram: (Indistinct) coming into this department in June. It's been a wonderful opportunity to - the first month or so was a steep learning curve, but certainly I'm really enjoying this department. There's so many areas that it represents and we are, with the directors and deputy minister, working together to grow this department into the future.

You will notice in the budget lines of this department from the - because this is a budget that was - we did have discussions in the spring sitting. There are some line items that have changed. However, there are

similarities in this -

Mr. Bagnall: Explain how you're going to grow this department into the future for us. You mentioned that you were going to grow the department into the future. How are you going to do this?

Ms. Bertram: I think, hon. member, you even spoke about it earlier in response to my statement by ministers in regards to literacy and the representation of libraries and public libraries on Prince Edward Island. I think that's certainly one area.

I think in terms of other areas of culture, heritage protection, I think we have lots of room to grow there in terms of our identity as Islanders and where we want to protect into the future, land use planning on Prince Edward Island. Going back to the culture and heritage, under public consultations on where the public wants heritage to go, and I think land use planning into the future as well will fall under that.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: How would you through land use policy, what's your vision on that?

Ms. Bertram: I certainly have visions but I think it's healthy at this stage as a new government to certainly have public input, but certainly that's what made our discussion at the department level. But I would be excited to talk more about the numbers right now in our department and get on to the business of the day.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: To always table professional services stuff, you have all that information with you?

Ms. Bertram: They are here.

Mr. M. Currie: So as we come to it, that's fine.

Ms. Bertram: There are copies for the opposition, and tabled for all other members of the Legislature if they so wish.

Mr. Bagnall: What are you tabling?

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: What are you tabling there?

Ms. Bertram: That is the salaried list, the grants, professional contract services, as you requested, hon. member, and other documents that you were used to being tabled in the past.

Mr. Bagnall: Okay. That's good.

Chair: Ready?

Mr. Bagnall: Thank you for being well prepared.

Chair: Okay. We're ready to go.

Page 38.

Policy and Administration. Administration. "Appropriations provided for the operation of the Minister's and the Deputy Minister's office and various departmental administrative functions." Under Administration for 2007-2008 Revised Budget Estimate: Administration: 123,400. Equipment: 13,000. Materials, Supplies and Services: 85,300. Professional and Contract Services: 39,000. Salaries: 938,800. Travel and Training: 30,000. Total Administration: 1,229,500.

Shall it carry?

Some Hon. Members: Carried.

Chair: Questions?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you.

Administration. What falls under that?

Ms. Bertram: Under administration we have the office supplies, telephone, meeting room expenses, computer supplies, cell phone and miscellaneous items.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: Equipment. \$13,000.

Ms. Bertram: Yes? That would be, for example, the office equipment at \$4,900, audio visual equipment at \$2,200, computer equipment and hardware at \$4,100, and computer equipment software at \$1,800.

Mr. M. Currie: Okay.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: I couldn't hear a word you were saying. Somebody was talking over there. I just couldn't hear.

Ms. Bertram: As I understand, hon. member, you asked the question regards what does that breakdown as?

Mr. Bagnall: Yes.

Ms. Bertram: That is office supplies, telephone, meeting room, computer supplies, cell phone and miscellaneous items.

Mr. Bagnall: Okay. Just regular office expenses?

Ms. Bertram: Yes.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: How many people are in this section?

Ms. Bertram: We have fifteen full-time employees under this section.

Mr. M. Currie: Fifteen?

Ms. Bertram: Yes. There are no part-time positions in this section.

Mr. M. Currie: You forgot to introduce one when you were doing your introductions.

Ms. Bertram: Oh, I'm sorry. My executive assistant is Fraser Inman, but I think that was already brought up in the Legislature today, so I think it's already on the public record. Yes.

Anyway, I thank him for being here.

Mr. M. Currie: A \$72,000 man, you should introduce him.

Chair: Shall it carry?

Some Hon. Members: No.

Chair: More questions?

Mr. Bagnall: Is Fraser Inman part of this expenditure?

Chair: The hon. Member from Montague-Kilmuir.

Ms. Bertram: Yes, he is.

Mr. Bagnall: And he's your deputy minister?

Ms. Bertram: No, he is not.

Mr. Bagnall: Well, that's what you told me in Question Period today. You said you and your deputy minister went to Greece.

Ms. Bertram: And hon. member, my deputy minister at that time and I did go to Greece, and that was Mr. Ron MacMillan. That is the answer to the question.

Mr. Bagnall: Okay. So he didn't go to Greece?

Ms. Bertram: No, he did not go.

Mr. Bagnall: Good. That's what I wanted to know.

Ms. Bertram: There's clarification.

Mr. Bagnall: Travel and training. What was that? Did you table that?

Ms. Bertram: The travel and training?

Mr. Bagnall: Yes.

Ms. Bertram: We can bring that back, yes.

Mr. Bagnall: It's not in what you gave us?

Ms. Bertram: No, it's not, but we can certainly bring that back.

Mr. Bagnall: No, no. That's fine. Just give me -

Ms. Bertram: Okay. The travel and training section, the in-province travel is listed at \$5,500, the out-of-province travel is \$16,000, the operating cost is \$7,000, and the in-service training is \$1,500.

Mr. Bagnall: Okay. That training is for whom? That travel is for whom? Departmental staff? Or is it for the minister, or is it for whom?

Ms. Bertram: It is for the deputy minister

and the minister.

Mr. Bagnall: Okay. Good. Carried.

Chair: Carried?

Some Hon. Members: Carried.

Chair: Carried.

Employer Advisor. "Appropriations provided to assist Prince Edward Island employers with statutory interpretation, application and administration of the Workers' Compensation Act and Occupational Health and Safety Act." Administration: 5,800. Equipment: 1,800. Materials, Supplies and Services: 5,000. Professional and Contract Services: 3,000. Salaries: 106,200. Travel and Training: 8,200. Total Employer Advisor: 130,000.

Questions?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: The salaries under that, fall under how many employees?

Ms. Bertram: There are two full-time employees. We have the Employer Advisor and we have the Program Assistant.

Mr. Bagnall: Is that Shawn Shea?

Ms. Bertram: We have Keith Mullin, who is the Employer Advisor, and we have Jennifer Chaisson.

Mr. Bagnall: Say that again.

Ms. Bertram: Keith Mullin and Jennifer Chaisson.

Chair: Questions?

Mr. M. Currie: Carried.

Chair: Carried.

Ms. Bertram: Just maybe to go back with the hon. member, he mentioned Shawn Shea. This is the employer, not the employee.

Mr. Bagnall: Okay.

Chair: Workers Compensation Appeals Tribunal. "Appropriations provided for coordination of all administrative functions and to provide timely, fair, consistent and impartial decisions when resolving appeals of decisions rendered by the Board's Internal Reconsideration Officer."
Administration: 16,500. Equipment: 2,000. Materials, Supplies and Services: 4,400. Salaries: 54,600. Travel and Training: 5,200. Total Workers Compensation Appeals Tribunal: 82,700.

Questions?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Is this section where Allan MacPhee does work for the tribunal?

Ms. Bertram: Yes, it is.

Mr. Bagnall: It is?

Ms. Bertram: Yes.

Mr. Bagnall: So what steps are you doing to move appeals ahead? Because under our legislation they have a period of time, and none of them are being met. What steps are you taking to get the appeals up to date? Because I'm getting calls all the time on that issue. I call Allan MacPhee on a regular basis asking him when this person is going to, that is - they have gone by the time, it seems like we're way behind on this.

Ms. Bertram: That's a great question because certainly that has been a backlog in

the past. They have made inroads on that and they have hired a coordinator to assist in that delay process, to speed up the hearings.

Mr. Bagnall: So the coordinator is going to be doing what?

Ms. Bertram: They'll be assisting the tribunal. There were sixty cases to my knowledge, and we're down to forty-two, and that's only in the last four to five months, so they are making - there is progress being made. I do realize your point.

Mr. Bagnall: I know they're doing a good job, I'm not -

Ms. Bertram: No, I realize that. We actually brought that up in opposition as well, and there are solutions underway, and we certainly agree that there are issues here.

Mr. Bagnall: At what time, when do you think you'll be caught up?

Ms. Bertram: I sat down with Carol Ann, and with the Workers Compensation Board. Certainly they can't put a specific time frame on it. I'm hoping perhaps in this upcoming year that we can see a real inroad on all those cases.

Mr. Bagnall: I know you've been an advocate of this for the last number of years when you were in opposition also.

Ms. Bertram: Yes.

Mr. Bagnall: We have to get this back up to date because we have a lot of injured workers, as you well know -

Ms. Bertram: I completely agree, hon. member.

Mr. Bagnall: - that were out in the community that are waiting for decisions. They can't get any information. They go to

their appeals, they can't get a response back in the amount of time that they are supposed to get it back.

After they have their appeal they are supposed to get written notice back within a certain period of time. They are not even meeting that guideline or haven't been, and it's great to see that you've taken some leadership on this and are going to get this caught up.

Ms. Bertram: Thank you, hon. member.

Mr. Bagnall: So you should be commended for that.

Chair: Shall it carry?

Some Hon. Members: Carried.

Chair: Total Policy and Administration: 1,442,200.

Shall it carry?

Some Hon. Members: Carried.

Chair: Infrastructure. Infrastructure. "Appropriations provided for the delivery of various Canada-Prince Edward Island Infrastructure Programs." Administration: 61,300. Materials, Supplies and Services: 38,300. Salaries: 221,600. Travel and Training: 5,800. Grants: 25,154,200. Total Infrastructure: 25,481,200.

Questions.

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: These are all in this -

Ms. Bertram: Yes, they are.

Mr. Bagnall: Probably carry on, but not carry this section until we have a chance to review these grants. Then we'll come back

and carry this section later.

Ms. Bertram: But we certainly can delay it and come back.

Mr. Bagnall: Pardon?

Ms. Bertram: Certainly, if that is your wish. No problem.

Chair: Next section.

Planning and Inspection Services. Administration. "Appropriations provided for administrative support to the Division." Administration: 51,800. Materials, Supplies and Services: 12,300. Salaries: 373,700. Travel and Training: 5,800. Total Administration: 443,600.

Questions.

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Salaries under this department. How many employees are employed under this department?

Ms. Bertram: This is six. Albert MacDonald, as you noted, was the director.

Mr. Bagnall: He was the director.

Ms. Bertram: Yes, and there are six full-time employees under this section. Our planning inspection services, for everyone, that is located at Gordon Drive (Indistinct).

An Hon. Member: Sorry?

Ms. Bertram: Gordon Drive is where Albert's shop is situated.

Mr. Bagnall: Okay. Just when you were saying - you turn your head that way, we don't hear anything.

Ms. Bertram: Sorry.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: In this section here is there - I guess - because the ground freezes there are some developers have to take soil samples for permeability.

Ms. Bertram: Yes.

Mr. M. Currie: Was there a halt put on that to stop taking permeability and allow construction to continue?

Ms. Bertram: I don't know. Maybe just some clarity to that. Is it in terms of where the department of environment - there was a new pilot project, is that what you're talking about?

Mr. M. Currie: I think so, and I think maybe it is crossed over between your two departments, but -

Ms. Bertram: Because there have been some changes where it use to be our solely our department, that when you came in for a permit and you had to have your soil permeability -

Mr. M. Currie: Yes.

Ms. Bertram: - testing done that it was only Communities, Cultural Affairs that did that, but now Department of Environment is doing that. The soil permeability, just to be clear. The pilot is with private contractors that are out there.

Mr. M. Currie: Okay.

Chair: The hon. Member from O'Leary-Inverness.

Mr. M. Currie: Seems to be (Indistinct).

Mr. Henderson: Do you have any staff (Indistinct) where they were supposed to

build on their permit? I've run into that issue a number of times in my district.

Ms. Bertram: That's once it's granted that they follow through?

Mr. Henderson: That seems like that's as far as that's gone. So on a piece of paper they say this house is to be built on this location or this building or shop, and then nobody checks up with it afterwards.

Ms. Bertram: We do have officers that are responsible for that, but that does take place, yes.

Mr. Henderson: But do they follow up in each case or just when there's a complaint after the building has been constructed?

Ms. Bertram: I can certainly take that under advisement, hon. member, and get back to you on that. Certainly they come to our offices looking for that building permit, but in terms of the time and those officers going out, I would have to get back to you on that information. But I will.

Chair: The hon. Member from Montague-Kilmuir.

Mr. Bagnall: The question I have there, hon. minister, is that under this department is this where the soil testing takes place for building permits?

Ms. Bertram: This is what your hon. colleague from Georgetown-St. Peters discussed. The soil permeability testing was done by our department in the past. There were changes through the department of environment, there was recommendations that they did, and now there is a pilot with private contractors where that actually takes place.

Mr. Bagnall: I guess my question I'm leading to is in your platform you mention

that there was going to be no increase in fees.

Ms. Bertram: Hon. member, this actually was undertaken by your administration, and this was a pilot that was in the first steps when we assumed our role in June. So we had to hold back on it actually a couple of months because there were a lot of discrepancies out in the industry and we had to make some follow up on that.

Mr. Bagnall: Because I understand that on August 1st your staff had started charging fees that have gone up, doubling the cost of soil testing, and which is in direct - you said you were going to do and your government said you were going to do. You said you were going to freeze fees immediately. Well, since August 1st - you've been government two and half months - and the fees for soil testing has over doubled. How can you justify that?

Ms. Bertram: Certainly, hon. member I hear your call there. Again, this was a pilot project, it will be reevaluated, but perhaps I will turn it over to the minister of environment to maybe further give light to this.

Chair: The hon. Minister of Environment, Energy and Forestry.

Mr. Webster: Madam Chair, is the hon. member speaking of sewage system permeability testing, which is under my department?

Mr. Bagnall: Soil testing fees that have to be - there's a soil testing fee.

Mr. Webster: Permeability testing was a new test. So therefore you can't say it wasn't froze because it's new.

Mr. Brown: How can you double something that wasn't there?

Mr. Webster: You can't.

Mr. Bagnall: So if you freeze fees and you freeze them - so you can bring in new ones, and then you're not freezing anything. Is that what your telling me?

Mr. Webster: No. We had to add the permeability testing for the private sewage dwelling systems. So the test is established at a certain number, and I can't explain that exact number to you at the moment, but it is built within the testing process.

Mr. Bagnall: All I know is if you go into the office in Montague to get your soil testing done to build a home on it, your fees have doubled since August 1st. On August 1st your fees went up to double the cost. This is to the minister, this is under your department, minister, not under environment.

Ms. Bertram: Actually it is under department of environment. People do come in for building permits. However, in the past there was soil testing done, but the permeability, as the minister stated, it is new, there is an environmental component to that obviously. However, it is a pilot and again this was undertaken by your administration, hon. member, and this was in the first stages and we certainly will be re-evaluating this into the future.

Mr. Bagnall: I'm not arguing it's under our administration.

Ms. Bertram: Yes.

Mr. Bagnall: You said you were going to freeze fees. You didn't freeze fees. August 1st, you raised them. You (Indistinct) doubled it.

Ms. Bertram: Hon. member there are costs associated with - this is something new. It's not that we've raised something that already

existed. However, we will take your issue under advisement and we will look into it.

Mr. Bagnall: Is this going to be a pattern for your department in the future, that anytime you want more revenue you are going to change your thing so that you can double the fees on everything? Because that's your pattern you've started already.

Ms. Bertram: Hon. member, I don't know where you are coming from on this. This is an environmental measure. It is nothing new - or it's something new. It wasn't something that existed before. But again, I will take your concern under advisement and we will look into it.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: Maybe the minister can bring back the information tomorrow and explain why (Indistinct).

Ms. Bertram: Thank you. Yes I will.

Chair: Shall it carry?

Some Hon. Members: Carried.

Chair: Provincial Planning.
"Appropriations provided for development of policy in the provincial context with respect to land use planning and development control." Salaries: 280,200. Travel and Training: 3,800. Total Provincial Planning: 291,000.

Questions?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Salaries again on that. Who is your supervisor in that department?

Ms. Bertram: Manager is Jack Saunders, again located at Gordon Drive. Mr. Jack

Saunders.

Mr. Bagnall: Okay. How many employees do you have there?

Ms. Bertram: There are five full-time employees.

Mr. Bagnall: They basically just work on planning?

Ms. Bertram: Yes.

Chair: Shall it carry?

Some Hon. Members: Carried.

Chair: Building and Development.
"Appropriations provided for administration of the *Planning Act* Regulations and the *Environmental Protection Act* Sewage Disposal Regulations including the delivery of permit, approval and inspection services pertaining to building permits, subdivision approvals and sewage disposal system permits." Salaries: 614,300. Travel and Training: 45,600. Total Building and Development: 659,900.

Questions?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Going back to your salary list again. This department is headed by who?

Ms. Bertram: Mr. Don Walters.

Mr. Bagnall: Don is (Indistinct).

Ms. Bertram: Again, at Gordon Drive as well.

Mr. Bagnall: Is this for the development officers?

Ms. Bertram: Yes it is.

Mr. Bagnall: Do the development officers across PEI all fall under this?

Ms. Bertram: Yes.

Mr. Bagnall: That travel and training, is that their travel and training or whose travel and training?

Ms. Bertram: It's those employees' travel and training.

Mr. Bagnall: Do you not supply cars?

Ms. Bertram: Yes, we do.

Mr. Bagnall: Okay, good.

Chair: Shall it carry?

Some Hon. Members: Carried.

Chair: Electrical Inspection.
"Appropriations provided for the administration of the *Electrical Inspection Act*, *Elevators and Lifts Act* and *Lightning Rod Act*, and licensing of electrical contractors." Salaries: 271,000. Travel and Training: 34,900. Total Electrical Inspection: 305,900.

Questions?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Thank you. On electrical inspections, you charge every person that goes out and you do your electrical inspections. Where does the revenue show up under that department?

Ms. Bertram: Under general revenues. That's where it would go to. This past year it was \$317,000.

Mr. Bagnall: For electrical?

Ms. Bertram: Electrical inspection fees.

Mr. Bagnall: Okay. Does that include boilers also or is this just -

Ms. Bertram: No that doesn't, that's in another section.

Mr. Bagnall: Okay, this is just basically -

Ms. Bertram: This is specific to electrical inspections.

Mr. Bagnall: Travel and training. Can you just give us a little breakdown on how that takes place?

Ms. Bertram: Sure. So out of that total of 34,900, you had in-province travel at 26,100, out-of-province travel at 2,800, the lease vehicle cost at 5,400 and computer training at 600.

Mr. Bagnall: Computer training (Indistinct)?

Ms. Bertram: Yes.

Mr. Bagnall: Again, they have their own vehicles here, right? Or department vehicles?

Ms. Bertram: There is a leased vehicle and probably, as the hon. treasurer has talked about, when those vehicles are getting to an age we are now looking at purchasing vehicles. But at the vehicle stands now, it's a leased vehicle.

Mr. Bagnall: It's a leased vehicle. For how long is it?

Ms. Bertram: Four years.

Mr. Bagnall: Are we in the fourth year or are we in the first year or what?

Ms. Bertram: That particular vehicle, hon. member, in terms of the lease and what year we're in, we'll have to come back with that

information to you.

Mr. Bagnall: Sure, that's fine.

Chair: Shall it carry?

Some Hon. Members: Carried.

Chair: Boiler and Plumbing Inspection. "Appropriations provided for the administration of the *Boilers and Pressure Vehicles Act*, the *Power Engineers Act*, and their respective Regulations as well as the administration of the *Environmental Protection Act* and code for the Plumbing Services Regulations." Salaries: 353,300. Travel and Training: 43,800. Total Boiler and Plumbing Inspection: 397,100.

Questions?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: Do the fish plant boiler inspections come under this section?

Ms. Bertram: Yes.

Mr. Bagnall: Can you give me an update on the status of Summerside fish plant there now? Because I understand there were major problems there with boiler in that area.

Ms. Bertram: Hon. member, I'll come back with that information to you.

Mr. Bagnall: Okay. So we'll not carry that section until we get that information.

Ms. Bertram: Sure.

Chair: Moving on. Municipal Affairs. "Appropriations provided for the administration of the municipal affairs within the Province, including Municipal Services Grants to municipalities, the Federation of Municipalities and training for

newly elected municipal officials." Administration: 100. Professional and Contract Services: 9,500. Salaries: 172,000. Travel and Training: 5,200. Grants: 2,181,400. Total Municipal Affairs: 2,368,200.

Questions?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: I'm trying to find that. Is that information in this bunch of stuff you gave me here?

Ms. Bertram: That has been tabled, that information. Perhaps we can assist you (Indistinct).

Mr. Bagnall: Okay, what we can do is just carry on and leave that until I have a chance to review that. There is \$2 million in grants. Is there a number of major ones there that make up that or is it -

Ms. Bertram: This is the one that we'd be looking at if you're looking for - municipal grants. It has three pages to it, a stapled document.

Mr. Bagnall: Do you have an extra one there, can I have a look at that? I don't see it here.

Mr. Brown: (Indistinct) when you took off, you must have them.

Ms. Bertram: It should have all the listings of all the municipalities and the total allotted to those broken down as cities, towns and then the communities. Do you have a specific question relative to any of the municipalities and what they're getting?

Chair: Any other questions?

Mr. Bagnall: No, I'm okay here. This is fine.

Chair: Shall it carry?

Mr. Bagnall: Just give me one sec here. Is this under the towns like Alberton, Kensington, Montague? Are they all listed in here?

Chair: Yes, they are. All 75 municipalities on Prince Edward Island are covered in this section.

Mr. Bagnall: I don't see anything listed under communities for Montague.

Ms. Bertram: Montague is listed at \$185,000.

Mr. Bagnall: I see it now.

Chair: Shall it carry?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: I notice in Montague, as you say, there is 185,000 there. How does that compare with the year before? Is that increased due to the - is the gasoline tax that they're getting included in that?

Ms. Bertram: No, that's not included under this section, that's under infrastructure dollars.

Mr. Bagnall: That's under infrastructure. So this is just basically their tax money coming back?

Ms. Bertram: The equalization grants.

Mr. Bagnall: It's the equalization grants.

Ms. Bertram: You will note that we have provided an additional \$300,000 to municipalities across PEI. That document has also been tabled and that will show out of that \$300,000 what those 75 municipalities will get out of the \$300,000.

Mr. Bagnall: So they all get some more money.

Ms. Bertram: Exactly.

Mr. Bagnall: Okay, that's fine. Thank you.

Chair: Shall it carry?

Some Hon. Members: Carried.

Chair: We've going to move on to the next section, Public Safety.

Administration. "Appropriations provided for the administration of the division."
Administration: 5,200. Equipment: 1,500.
Materials, Supplies and Services: 1,500.
Professional and Contract Services: 12,500.
Salaries: 92,200. Travel and Training: 7,600.
Total Administration: 120,500.

Questions?

The hon. Member from Montague-Kilmuir.

Mr. Bagnall: That professional and contract services, do I have that here too?

Ms. Bertram: Yes, you should have that, it's part of the documents. It was for all sections of this budget.

Mr. Bagnall: Okay.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: Is this the section that would look after licensing for individuals like operators?

Ms. Bertram: Can you just be maybe a little bit more clear, hon. member?

Mr. M. Currie: Like for crane operators or anything like that, are they licensed on PEI?

Ms. Bertram: I believe that might fall under transportation and public works.

Mr. M. Currie: No, I don't think.

Ms. Bertram: But I certainly -

Mr. M. Currie: The reason I bring it up is I have been made aware I guess - there is a lot of people that use fairly heavy cranes now in the fishing industry. There has been some close incidents, I guess, on wharfs. It's not to be alarmist, but it's just that some people probably are not fully trained as some people are, as the minister of development is trained. He only broke his brother's leg, but that's all right.

It's an area that I think should be looked at, maybe. If a certain area of professionals or private people have proper training, I think other areas that use it, that at least they be called in on the off season maybe and there are courses put on or something. Would you look at something like that?

Ms. Bertram: We certainly will look into that.

Mr. M. Currie: Help out the fishing industry and -

Ms. Bertram: Good point, yes.

Mr. M. Currie: Thank you.

Chair: Any other questions?

Shall it carry?

Some Hon. Members: Carried.

Chair: Fire Marshall. "Appropriations provided for administration of the *Fire Prevention Act* and Regulations including promotion of appropriate fire prevention measures in the Province and training of volunteer fire fighters." Administration:

2,900. Materials, Supplies and Services: 1,200. Salaries: 232,900. Travel and Training: 25,900. Grants: 112,700. Total Fire Marshall: 375,600.

Questions?

The hon. Minister of Development and Technology.

Mr. Brown: How many people are under there?

Ms. Bertram: There are four full-time employees.

Mr. Brown: Who is the fire marshal?

Ms. Bertram: Mr. David Blacquiere is the fire marshal.

Mr. Brown: Is he a good fellow?

Ms. Bertram: Yes he is.

Mr. Brown: Thank you very much.

Chair: Other questions?

The hon. Member from Evangeline-Miscouche.

Mr. Gallant: Under travel and training, approximately how much training is there towards the volunteer fire departments?

Ms. Bertram: In this section here, this is grants provided to the PEI fire school. It's not directed in our department specifically to the fire department, it's the training.

Mr. Gallant: Just the school?

Ms. Bertram: Yes.

Mr. Gallant: Thank you.

Chair: The hon. Member from Georgetown-

St. Peters.

Mr. M. Currie: I'm glad that subject was brought up. Because I think our rural fire departments are experiencing difficulty in attracting new young people to the fire departments with the level of training, especially in medic and other areas that they have to take, versus 10-15 years ago when it was just grass fires and barn fires and house fires. But now they are interconnected with the health system and they are expected to buy and operate a lot of equipment.

Has there been any thought in - this was just brought to my attention here this summer, especially in my own community, because they're losing people. Did you think of any sort of tax exemption that you could maybe offer to attract new people that would - even women - that want to go in the fire department?

Ms. Bertram: That's a really good question. I think our volunteer firefighters do wonderful things in our province and they are certainly well appreciated by our government and by all members of this House. I certainly take your question with interest.

I think as a new government - really, the numbers here, we couldn't provide for any extra dollars under this section. But maybe into the future with our budgets - I will be going to their Annual Firefighters Association meeting this Sunday. I will be attending that. I have had some discussions with their president, Bill Gourley. So I hope to have a good relationship with that organization and certainly we'll maybe discuss those things that you have discussed as well.

Mr. M. Currie: Yes, because I know your department -

Chair: The hon. Member from West

Royalty-Springvale.

Mr. M. Currie: Oh, I'm sorry.

Mr. Dumville: Hon. minister, this is the fire school located at Sleepy Hollow?

Ms. Bertram: Yes, you are correct.

Mr. Dumville: And that grant of \$112,700, is that up from last year or is that the same amount?

Ms. Bertram: It is the same amount.

Chair: The hon. Member from Georgetown-St. Peters.

Mr. M. Currie: What I understood is that some departments are getting grants from your department to buy thermal image cameras and to operate and learn about these. They give up a lot of their weekends and it's all volunteer, but I would appreciate it if you, maybe the finance minister, would consider something that would be applicable to accommodate both men and women for our fire departments.

Ms. Bertram: I think that's a great consideration to be making.

An Hon. Member: Call the hour.

Chair: The hon. Minister of Development and Technology.

The hour has been called.

Mr. Brown: I just want to say that I was at the Firemen's Ball - while the Speaker's coming in - this weekend for the City of Charlottetown. There was two members that had served 50 years and they are still on the City of Charlottetown Fire Department. That's John Squarebriggs and Claude Fields. Fifty years.

Some Hon. Members: Hear, hear!

Ms. Bertram: Madam Chair, I move that the Speaker take the Chair, and that the Chairman report progress and beg leave to sit again.

Chair: Shall it carry?

Some Hon. Members: Carried.

Chair: Madam Speaker, as Chairman of a Committee of the Whole House having had under consideration the grant of supply to Her Majesty, I beg leave to report that the Committee has made some progress and begs leave to sit again.

Speaker: Shall it carry?

Some Hon. Members: Carried.

Speaker: The hon. Government House Leader.

Mr. Vessey: I move, seconded by the hon. Provincial Treasurer, that this House adjourn until tomorrow at 2:00 p.m.

Speaker: Shall it carry?

Some Hon. Members: Carried.

The Legislature adjourned until tomorrow, Thursday, at 2:00 p.m.