

Prince Edward Island

Daily Journal for the
Legislative Assembly for
Tuesday, October 23, 2007

The House met at 2:00 p.m.

PRAYERS

ROUTINE PROCEEDINGS

Journals:

Journals for Thursday, October 18, 2007 were adopted by the House without amendment.

Doors were opened

Matters of Privilege:

There were none.

Statements by Members:

- 2:10 Robert Mitchell (Charlottetown-Sherwood) made a Statement on UNICEF, Canada's national child representative, Balaal Rajan and the fundraising efforts of Sherwood Elementary School.
- 2:12 Alan McIsaac (Vernon River-Stratford) made a Statement of tribute to William Hayden on being inducted into the Atlantic Agricultural Hall of Fame.
- 2:14 Honourable Leader of the Opposition made a Statement on a Red Rally being held by the Military Family Resource Center of PEI in honour of our troops.

2:15 Questions by Members:

Statements by Ministers:

- 2:57 Honourable Doug Currie (Health, Social Services and Seniors) made a statement recognizing Family Doctor Week in Canada.
- 3:01 Honourable Gerard Greenan (Education and Attorney General) made a statement on Floral Hills Memorial Gardens.
- Honourable Doug Currie (Health, Social Services and Seniors) made a statement on a Field Hospital training project of government.
- 3:05 Honourable Richard Brown (Development and Technology) made a Statement recognizing Small Business Week in Prince Edward Island.

Presenting and Receiving Petitions:

There were none.

Tabling of Documents:

There were none.

Reports by Committees:

There were none.

Introduction of Government Bills:

There were none.

GOVERNMENT MOTIONS:

There were none.

ORDERS OF THE DAY - GOVERNMENT:

The Order of the Day being read for the consideration of the Estimates in Committee, Paula Biggar (Tyne Valley-Linkletter), took the Chair of the Committee to further consider the Estimates for the Department of Tourism; Interministerial Womens' Secretariat (complete); and the Department of Transportation and Public Works.

Honourable Madam Speaker resumed the Chair and the Chairperson reported progress and requested leave to sit again, to which the House agreed.

5:00 Honourable Madam Speaker declared recess until 7:00 p.m.

7:00 P.M.

Honourable Madam Speaker, pursuant to *Conflict of Interest Act*, advised the House that she had received a copy of a request from the Honourable Member from Georgetown-St. Peters to the Conflict of Interest Commissioner, seeking an opinion respecting an allegation of a violation of the *Conflict of Interest Act* by the Honourable Minister of Transportation and Public Works.

Pursuant to Section 28 of the *Conflict of Interest Act*, Honourable Madam Speaker then tabled a copy of the request and further advised that the matter was now before the Conflict of Interest Commissioner and, on completion of his investigation, a report will be submitted to the Speaker.

Motions Other Than Government:

Honourable Olive Crane moved, seconded by Jim Bagnall, the following Motion for a Resolution (Motion No. 9):

WHEREAS the Liberal administration is entertaining the adoption of the Harmonized Sales Tax on Prince Edward Island;

AND WHEREAS Prince Edward Island is currently the only maritime province not operating under the Harmonized Sales Tax;

AND WHEREAS Prince Edward Island's refusal to adopt the Harmonized Sales Tax has allowed the province, working in partnership with Island business, to develop competitive niches and sales tax advantages in areas of the retail sector such as clothing and footwear;

AND WHEREAS these progressive measures have created significant economic benefit for Island businesses;

AND WHEREAS Prince Edward Island's refusal to adopt the Harmonized Sales Tax has allowed the province to develop tax incentives to encourage sound public policy principles such as increased conservation and sustainability through sales tax rebates and exemptions for hybrid vehicles and household renewable energy equipment;

AND WHEREAS adopting the Harmonized Sales Tax will eliminate the flexibility to pursue such progressive public policy measures;

AND WHEREAS the refusal to adopt the Harmonized Sales Tax has also reduced the tax burden on Island families through more affordable household fuel and electricity, shoes and clothing, and other essentials;

AND WHEREAS adopting the Harmonized Sales Tax will cut the tax freedom of Island families and significantly increase the daily cost of running a household by making essentials like heat, electricity and clothing more expensive;

AND WHEREAS adopting the Harmonized Sales Tax will unfairly penalize low income Island families, Island seniors, and Islanders with disabilities;

THEREFORE BE IT RESOLVED that this Assembly reject the notion of increasing the tax burden of Island households and businesses by rejecting the government's consideration of imposing the Harmonized Sales Tax on Prince Edward Island.

Debate was commenced by the Mover (7:04); continued by the Seconder (7:15); and Honourable Wes Sheridan (Provincial Treasurer) (7:30); who moved, seconded by Honourable Richard Brown (Development and Technology); the following amendment:

Delete the first WHEREAS clause and substitute the following six clauses:

1. WHEREAS the Liberal government is clearly pursuing policies designed to lower taxes for Islanders;
2. AND WHEREAS the policy direction of lower taxes follows a decade of unprecedented increases;
3. AND WHEREAS Islanders have grown weary of tax increases over the past decade under the former Conservative administration;

4. AND WHEREAS the tax on a litre of gasoline rose from 12 cents in 1997, to 20.2 cents when they were defeated in the 2007 General Election;

5. AND WHEREAS property tax revenues under the former Conservative administration rose by 70 per cent between 1997 and 2007;

6. AND WHEREAS these increases caused genuine hardship for many Islanders;

Move the second WHEREAS clause to clause number 7.

Delete the fifth, sixth, seventh and eight WHEREAS clauses and replace with the following three clauses:

8. AND WHEREAS Prince Edward Island does not currently impose provincial sales taxes on areas such as clothing and footwear;

9. AND WHEREAS the Island's current system has allowed the province to offer rebates and exemptions in selected areas;

10. AND WHEREAS the government must maintain its flexibility to pursue such progressive policy measures;

Delete the ninth WHEREAS clause and replace with the following:

11. AND WHEREAS the government believes that tax fairness is a basic principle;

Replace the single operative clause with the following:

THEREFORE BE IT RESOLVED that this Assembly endorse any measures to improve tax fairness for Islanders;

THEREFORE BE IT FURTHER RESOLVED that any changes to the tax system will be predicated on a full and comprehensive consultation with Islanders.

Debate on the amendment continued by Honourable Richard Brown (Development and Technology) (7:37); and Honourable Leader of the Opposition (7:40).

7:42 There being no further debate on the amendment, Honourable Madam Speaker put the Question. A Recorded Division being sought, the names were recorded by the Clerk as follows:

Nays (3)

Honourable Leader of the Opposition
Jim Bagnall (Montague-Kilmuir)
Michael Currie (Georgetown-St. Peters)

Yeas (19)

Honourable Gerard Greenan (Education and Attorney General)
Honourable Neil LeClair (Agriculture)
Honourable George Webster (Environment, Energy and Forestry)
Honourable Valerie Docherty (Tourism)
Honourable Allan Campbell (Fisheries and Aquaculture)
Cynthia Dunsford (Stratford-Kinnock)
Honourable Ron MacKinley (Transportation and Public Works)
Honourable Carolyn Bertram (Communities, Cultural Affairs and Labour)
Honourable Richard Brown (Development and Technology)
Honourable Wes Sheridan (Provincial Treasurer)
Robert Vessey (Government House Leader)
Honourable Doug Currie (Health, Social Services and Seniors)
Pat Murphy (Alberton-Roseville)
Robert Henderson (O'Leary-Inverness)
Buck Watts (Tracadie-Hillsborough Park)
Bush Dumville (West Royalty-Springvale)
Paula Biggar (Tyne Valley-Linkletter)
Alan McIsaac (Vernon River-Stratford)
Robert Mitchell (Charlottetown-Sherwood)

The amendment was **CARRIED**.

Debate on the main Motion, as amended, was continued by Honourable Richard Brown (Development and Technology) (7:45); and Honourable Ron MacKinley (Transportation and Public Works) (7:49).

There being no further speakers on the main Motion, as amended, the Honourable Leader of the Opposition closed the debate.

Honourable Madam Speaker put the Question which was **CARRIED**.

7:50 Jim Bagnall (Montague-Kilmuir) advised the House that through an agreement with the Government House Leader, the House would revert to

ORDERS OF THE DAY - GOVERNMENT:

The Order of the Day being read for the consideration of the Estimates in Committee, Paula Biggar (Tyne Valley-Linkletter), took the Chair of the Committee to further consider the Estimates for the Department of Transportation and Public Works.

Honourable Madam Speaker resumed the Chair and the Chairperson reported progress and requested leave to sit again, to which the House agreed.

ADJOURNMENT:

On Motion of Robert Vessey (Government House Leader), seconded by Robert Henderson (O'Leary-Inverness), the House adjourned until 2:00 p.m. on Wednesday, October 24, 2007.

Charles H. MacKay
Clerk of the Legislative Assembly