

*Oral Questions*

**Mr. Epp:** I think that this is serious enough to deal with the Hon. Member in the manner in which I have done in the past.

Second, I said to the people of Newfoundland that if one looks at the statement of principles I would try to maximize the industrial benefits for Newfoundland, but also that we have to make sure that we have a project which is as economically viable as possible.

Last—and I am not trying to violate the time of the House—when I met with the new Minister of the Government of Newfoundland yesterday, I said that the federal Government stuck by its commitments. We would co-operate in whatever way possible. We also said that what we are attempting to do is to bring Hibernia on stream as quickly and as early as possible. Any interpretation to the contrary is not in keeping with what I discussed.

The article that appeared in *The Globe and Mail* today is accurate as to what I said and how it should have been interpreted.

## GOVERNMENT POSITION

**Hon. William Rompkey (Labrador):** Mr. Speaker, the Minister said that the Government has no time limit. That is not accurate. The time limit was last March. The time limit has expired. We have a time limit. The Government had one and did not keep it.

Because he says that it is a serious problem, and it is, I wish to quote to him the words of the Prime Minister who said in St. John's on July 19, 1988: "This has been the dream of the people of Newfoundland and Labrador for decades. Today, the dream has been realized."

This is a province that has the highest unemployment rate in the country. What we want are jobs, not hand-outs from the Government of Canada. It is dismantling the unemployment insurance system. We do not want unemployment insurance, we want jobs. I want a commitment from the Minister today. If the Minister will not stand up and fight for jobs in the fishing industry, will he fight for jobs in the oil industry?

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

**Hon. Jake Epp (Minister of Energy, Mines and Resources):** Mr. Speaker, that is exactly what I said in Newfoundland yesterday. That is what I am saying in the House today.

I said yesterday that the time for rhetoric is over, let us make sure that the deal works. The deal has three components to it. The Government of Newfoundland and the Government of Canada, in my mind, are totally in agreement in terms of maximizing industrial benefits. The consortia wants the deal to go forward. Obviously, there is one question relating to the top side. With respect to the gravity base structure, as the Hon. Member knows, there have been some tenders let on the GBS and on other parts of Hibernia.

What I am saying to the Hon. Member and to the people of Newfoundland is that we have to find an agreement about industrial benefits, getting Hibernia moving forward and having the best technology we can have. If we do not do that we will have a situation in which there might not be other development as quickly because of the cost factor.

My only concern is to move Hibernia forward, to do it as cost effectively as possible and to maximize the benefits for Newfoundland. I do not see how the Hon. Member in any way could have any difficulty with those principles.

\* \* \*

## THE ECONOMY

## CONFERENCE BOARD OF CANADA REPORT

**Mr. Nelson A. Riis (Kamloops):** Mr. Speaker, my question is directed to the Minister of Finance. He will be well aware that the report of the Conference Board of Canada, an ally up to this point, has pointed out not only will the massive national sales tax imposition see 72,000 jobs lost, inflation increased to over 7 per cent, a reduction in economic growth with certain sectors such as tourism being hard hit, but also a major tax hike for Canadians which the Board estimates will be a \$4 billion net increase in the first two years.

In light of a response to a previous question I want to remind the Minister that during the election campaign he had this to say: "The bottom line is that the sales tax will not be used to raise the revenues of the Government of Canada".

Does the Minister plan to keep the promise that he made to the people of Canada during that election campaign that this would be neutral revenue in terms of income?

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