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Speaker: Honourable Tom Osborne, MHA

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The House met at 1:30 p.m.

MR. SPEAKER (Osborne): Order, please!

Admit strangers.

We would like to welcome to the public galleries today Phyllis Weir from Petty Harbour who's the subject of a Member's statement.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: We also welcome to the Speaker's gallery Bryan Walsh, who is the secretary of the Candlelighters Association of Newfoundland and Labrador; his wife Trina; daughter Hannah; son Nathan; son Daniel; and their grandmother, Donna Walsh.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Nathan Walsh is five years old. On February 27, 2014, after turning three on Christmas Eve, Nathan's family was told that Nathan had leukemia. Nathan is a brave, young boy who is living with Down's syndrome and has battled cancer. I am so happy to say that in May of 2016, Nathan finished his chemo treatments and now visits the long-term, follow-up clinic for regular checkups.

In June of 2016, Nathan was the first child to ring the Bell of Hope at the Janeway as part of the program launch. He has started Kindergarten and is really enjoying attending school.

In September, he and the Minister of Health had signed a proclamation for the Yellow Ribbon Campaign. We've been asked by my good friend, the Speaker in New Brunswick, to distribute gold ribbons here today as part of the Maggie Project, which is what Nathan had signed the proclamation for; awareness of research funding in Canada for children's cancer and the fact that only 3 per cent of total funding raised goes towards research cancer.

We're very proud to have Nathan in our Speaker's gallery and I'm going to invite a Member from each of the caucuses to welcome Nathan as well because he is such a brave, young man.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MS. C. BENNETT: Thank you, Mr. Speaker, for the opportunity to stand in the House today and welcome Nathan and his family to the House. For the Members in the House who may not know, Nathan's dad, Bryan, also works in the Office of the Chief Information Officer, and we're certainly grateful for the incredible amount of volunteer hours that Bryan offers to the Candlelighters Association.

It gives me particular pleasure today to speak and welcome Nathan here, particularly in the context of my own family's experience with childhood cancer. As Members of this House would know, my sister was diagnosed when she was 12 and my dad was a long-time volunteer with the Candlelighters. We were all too aware of the challenges when it came to research funding for a child who had cancer.

Earlier this year, the International Agency for Research on Cancer through the World Health Organization as part of the International Childhood Cancer Day talked about childhood cancer is often neglected because cancer is predominantly a disease of aging populations. Data from cancer registries is indispensable in bringing to light the full burden of childhood cancer and giving fresh clues to the causes and for monitoring the impacts and effects to combat the problem.

Mr. Speaker, on behalf of Nathan, and all the children in Newfoundland and Labrador who are struggling with their families with cancer, I thank you for the opportunity to speak and certainly support all initiatives to ensure that more research money is driven into every area of childhood cancer that we can to hope that these children have less of a fight than they've had over the last number of years.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

Certainly on this side of the House, we appreciate the commentary from the Minister of Finance. We, as well, would like to welcome Nathan to this Legislature today and recognition of him as a young man, youth, who has experienced significant challenges in his life to date through cancer. But through his perseverance and with the help of his family, he has moved through this and is now starting, I understand, the next stage of his life into his school.

We want to congratulate him and support of his family in seeing him through this time. As well, I want to recognize the Candlelighters Association and the work they have done. I've had some experience in the past in regard to some fundraising efforts and know full-well the tremendous work they do in support for families who experience difficulty going through cancer. I recognize the volunteers and all of the work they do and the importance it is to our province.

Again, I want to recognize Nathan for being here today. Good luck in your school studies, and I'm sure you'll contribute to Newfoundland and Labrador in the years ahead.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you very much, Mr. Speaker.

I'm delighted to stand here today and to welcome Nathan. Hello Nathan, we're over here. And to tell you what a lucky little boy you are to have such a loving family here with you today, and lucky that they helped you get through that dirty old cancer that you had to deal with. If you ever have to deal with it again, I hope you won't, that they'll be there for you as well and will continue to be with you.

I want to recognize Nathan's family because I know it must have been a hard time for you, but you can rejoice now in having such a lively little boy in your family still. Thanking also, as my colleague from Ferryland has, recognizing the Candlelighters Association because I know they

give great support to families and to those with cancer. I wish them all the best, keep up the good work, and best wishes to all of you as a family for the future.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

Statements by Members

MR. SPEAKER: For Members' Statements today we have the Member for the District of Conception Bay East – Bell Island; the District of Placentia West – Bellevue; the District of Lewisporte – Twillingate; the District of Ferryland; the District of Torngat Mountains; and the District of Cartwright – L'Anse au Clair.

The hon. the Member for Conception Bay East – Bell Island.

MR. BRAZIL: Thank you, Mr. Speaker.

I stand today to recognize an organization in my district which has offered services and supports for youth for over 60 years. I speak of the Wabana Boys and Girls Club on Bell Island.

Over the past six decades, this organization has been a pillar in the community in engaging, supporting, fostering, promoting and celebrating the accomplishments of the community's youth. The hundreds of thousands of young people who have had the privilege of calling a Boys and Girls club home in this country will attest to the benefits they have gained.

The club on Bell Island offers programs related to community leadership, academics, personal and social development, career exploration, healthy living and every aspect of physical activity. These programs are the foundation for fostering well-rounded, engaged citizens in our community.

The alumni of the Bell Island club includes successful doctors, engineers, educators, health professionals, tradespersons, academics and all other sectors of our society, including politicians.

I would be remiss if I didn't acknowledge the work of the volunteers and the staff who go

beyond the call of duty to support the youth of Bell Island.

I ask all Members to join me in congratulating and thanking all involved with the Wabana Boys and Girls Club.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Placentia West – Bellevue.

MR. BROWNE: Mr. Speaker, I rise today to recognize the Marystown Volunteer Fire Department, the Sacred Heart Family Aid and the Salvation Army for their efforts in the 5th annual food drive, which was held on Saturday, November 26, and was a tremendous success.

The food drive collected some 36 crates of food, along with nearly \$1,300 to help support the people in need. Food drives are a great way to help support food banks and to assist them in collecting food and monetary donations. It is especially important at this time of year, given that the holiday season is often the busiest time for food banks across the province. I encourage all Newfoundlanders and Labradorians to give and donate to this worthwhile cause.

I want to thank the firefighters, the junior firefighters, the local food bank volunteers, and the RCMP members who were present at this event and helped contribute to its amazing success. I also thank the community members who donated from the Marystown and surrounding areas, as well as the management and staff of No Frills, Walmart and Sobeys for their support.

I ask all hon. Members to join with me in congratulating all those involved for their efforts in this important cause and encourage those who can lend a helping hand over this holiday season to do so.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Lewisporte – Twillingate.

MR. D. BENNETT: Mr. Speaker, I rise in this hon. House to recognize a company from my district that has served as a cornerstone of the music industry in Newfoundland and Labrador since its inception in 1996.

The Citadel House is a performance venue and recording studio in the community of Lewisporte. Founders Dean and Stevie Stairs purchased the former Salvations Army Citadel and renovated it to serve as home and studio.

This company has had a long history of producing high-quality music that has earned numerous MusicNL, ECMA and CGMA awards. They have also offered mentorship and a place to perform to many young musicians.

Earlier this year, Dean Stairs was named MusicNL's Industry Professional of the Year. The Citadel House won the Outstanding Business Award.

Newfoundland and Labrador is widely known for producing musicians of tremendous talent. Local music publishers like Citadel House play a fundamental role in nurturing emerging artists and furthering the careers of established artists from our province.

I ask all Members to his hon. House to join me in congratulating Dean and Stevie Stairs of the Citadel House on its recent MusicNL awards and thanking the company for its contribution to the music industry throughout our province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, I rise in the hon. House today to recognize the 65th anniversary of a business in Petty Harbour.

Herbert and Marguerite Weir opened Weir's Wholesale and Retail General Store in 1951. The store was a typical outport store where fisherman and their families bought groceries, dry goods and supplies. Customers would place

their orders of delivery, which Herbie and his daughters would deliver on Saturdays. The store was a meeting place and community news was exchanged there over the counter.

Herbie also provided a complementary trucking service where he transported salt cod and cod liver oil to the fish plants in St. John's. On his return home, he would bring food supplies, coal, salt and other items customers requested.

Herbie's Olde Shoppe is located in Weir's General Store. The store was built in 1933 and the interior is original to that of that time period. The old general store ambience remains. The merchandise has changed from beans, sugar, flour and fishing lines to quality crafts, woolens, books, jewelry and prints made by Newfoundland and Labrador artisans and crafters.

Mr. Speaker, I ask all Members of this House to join in congratulating Herbie's Olde Shoppe in Weir's General Store on their 65th anniversary.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. EDMUNDS: Thank you, Mr. Speaker.

I rise today to recognize Nunatsiavut Day and 11 years of self-government for Inuit in Labrador.

This day marks the end of over 30 years of negotiations and hard work on the part of a lot of people. People like Sam Andersen, the first president of LIA, my father Bill Edmunds, Fran Williams, William Andersen III, William Barbour, Sarah Leo and Johannes Lampe, just to name a few. We honour all those that have worked hard to preserve and maintain our way of life, our culture, our language, while working to create a better tomorrow for future generations.

As with any government there have been challenges, but as a people we have the capacity to face these challenges. I want to recognize the contributions of all those that have steered us to the point of where we are now, and to thank

those who are working hard today in addressing the many social and economic needs of our people and our communities.

Mr. Speaker, I ask all hon. Members to join me in reflecting on the accomplishments of the Nunatsiavut Government as we celebrate 11 years of the new chapter in our history.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Member for Cartwright – L'Anse au Clair.

MS. DEMPSTER: Thank you.

I rise today to recognize Tyler Mugford, a 17-year-old from Cartwright who was selected to participate in the Youth Ambassadors of Canada program earlier this year.

The highly selective Youth Ambassadors Program involves a three-week exchange for 16 students from across Canada to the United States. It focuses on civic education, community service, youth leadership and social inclusion.

Tyler underwent a rigorous application process and was the first Labradorian chosen to participate in the program. Program board members were looking for applicants who were mature, energetic and ready to advance their skills to be leaders in their schools and communities.

Tyler has all these qualities in abundance. He is an avid community volunteer and an honours student. He assists his church group, volunteers on the recreation committee and helps out at school whenever needed. He is also a member of the Canadian Junior Rangers.

Tyler participated in the exchange from July 18 to August 7, and describes it as an absolutely amazing experience. He is now working on a follow-up community recreation project.

I ask all Members of this House to join me in honouring Tyler Mugford, a young leader and a true ambassador for Labrador.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

Prior to going to Statements by Ministers, I want to bring to the attention of all Members, a table and a chair down just opposite where the Sergeant-at-Arms sits.

I thank the Member for Conception Bay East – Bell Island who has worked with me to recover these from the Lighthouse Café on Bell Island. The sign at the Lighthouse Café says that these chairs were used by Members of the Legislature at the Colonial Building. They were gifted to the Murray's Pond Country Club prior to being gifted by them to the Lighthouse Café.

It's believed they were chairs used by Members of the Legislature. I can't authenticate that. I'll leave that to the folks at The Rooms to determine whether in fact they were. But, if in fact that chair was used by Members of Legislature at the Colonial Building, it's the first time it sat in the Legislature of Newfoundland and Labrador since 1960 or '61.

I sat in it in the Legislature earlier today. I invite all Members to take a turn, because it has probably been sat in by some very significant historical figures over the years. It was a pleasure for me to be the first to sit in it since it has come back to the Legislature, if in fact it did come from the Legislature at the Colonial Building.

We can confirm that it did come from the Colonial Building. It's certainly my hope that it was one of the chairs at the Legislature.

I thank again the Member for Conception Bay East – Bell Island for –

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: – helping us to retrieve the chair. It's the second of these tables. We did receive one of an exact table to this earlier this summer, also believed to have come from the Colonial Building, and that's now with The Rooms. So I invite Members again to take their turn in the chair.

AN HON. MEMBER: (Inaudible.)

MR. SPEAKER: Now, now!

Statements by Ministers.

Statements by Ministers

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Today, it gives me great pleasure to offer my own congratulations and that of all Newfoundlanders and Labradorians to the Labrador Inuit as they celebrate Nunatsiavut Day.

On this day 11 years ago, Labrador Inuit marked a new era and changed the face of Newfoundland and Labrador forever giving the Labrador Inuit more control over their own affairs. The Labrador Inuit Land Claims Agreement set out a new regime for land ownership, resource sharing and self-government including Inuit ownership of some-15,800 square kilometres of land referred to as Labrador Inuit Lands and the creation also of the 9,600 square kilometres of Torngat Mountains National Park Reserve.

As the Minister of Labrador and Aboriginal Affairs, it pleases me to recognize this very important date in the province's history. It is important that we remember that for over 30 years the Labrador Inuit negotiated their land claims agreement which provided for the new self-government regime – the first modern, comprehensive land claims and self-government agreement.

The Nunatsiavut Government has made great progress in improving the lives of Labrador Inuit and all Newfoundlanders and Labradorians should be proud of what has been accomplished by the Nunatsiavut Government.

The Government of Newfoundland and Labrador looks forward to continuing to work with the Nunatsiavut Government to help advance issues of importance to Labrador Inuit, and I am optimistic that our governments, working together, can make great progress on matters of mutual interest.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Conception Bay East – Bell Island.

MR. BRAZIL: Thank you, Mr. Speaker.

I thank the Premier for an advance copy of his statement. The Opposition joins with government in congratulating the Labrador Inuit as they celebrate Nunatsiavut Day. I'm proud that our former administration initiated the historic Labrador Inuit Land Claims Agreement. Working hand in hand with our Inuit partners, we created an agreement that was heralded as groundbreaking and progressive. We actually became a model for other jurisdictions to follow. Let's ensure we build upon our past successes with a collaborative and respectful approach.

Congratulations on the 11th anniversary of Nunatsiavut Day. We wish you all the best.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you very much, Mr. Speaker.

I, too, thank the Premier for the advance copy of his statement. I'm delighted to join in congratulating the Nunatsiavut Government. It's so hard to believe it has been 11 years. I also congratulate all the people who worked so hard for so long to win their right to self-government.

I urge the Premier that he keep his promise to work together with the Nunatsiavut on issues of importance to the Labrador Inuit and not only deal with them at the last minute in a crisis, as we recently saw regarding protests at the Muskrat Falls Project worksite.

Thank you very much, Mr. Speaker.

MR. SPEAKER: Further statements by ministers?

The hon. the Minister Responsible for the Status of Persons with Disabilities.

SOME HON. MEMBERS: Hear, hear!

MS. GAMBIN-WALSH: Mr. Speaker, I rise in this hon. House to recognize that Saturday, December 3, is the International Day of Persons with Disabilities. On this day annually, we celebrate the achievements and contributions of individuals with disabilities.

Our government continues to work with the community of persons with disabilities and all residents to move forward on our commitment to promote a more inclusive province.

We are working toward reviewing existing legislation and toward implementing inclusion-based legislation for our province. I hope every resident of the province will consider contributing to the conversation as we develop a "made in Newfoundland and Labrador" legislation.

Early in the new year, we will also be introducing new policies and guidelines to ensure departments communicate in a more accessible and inclusive manner. It is important for government to continue to identify opportunities to ensure that government policies reflect the needs of residents.

On December 3 and throughout the year, let us recognize the importance of ensuring that citizens with disabilities have the same choices, opportunities and access as other citizens and the same rights to dignity, fairness and respect.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Fortune Bay – Cape La Hune.

MS. PERRY: Thank you, Mr. Speaker.

I thank the minister for an advance copy of her statement. We, too, recognize December 3 as the International Day of Persons with Disabilities. Individuals with disabilities deserve to have barriers eliminated and to live in an inclusive society. The advancements made with respect to persons with disabilities have been great during the past decade, but we still have so much more work to be done.

Some of the main barriers that persons with disabilities are faced with include employment, accessibility, transportation, housing and homelessness, health care and inclusive education. I commend the minister and all individuals who continue to succeed and move forward, despite their challenges.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's Centre.

MS. ROGERS: Thank you, Mr. Speaker.

The new legislation can't come fast enough; it is long overdue. Already, legislation has come before this House, like the Independent Appointments Commission bill, or the latest procurement bill, where government did not take the opportunity to include a disability clause.

Legislation with proper inclusion measures clearly outlined are much needed in this province. I congratulate the advocates in the disability community who are pushing for change.

Thank you very much, Mr. Speaker.

MR. SPEAKER: The hon. the Minister of Business, Tourism, Culture and Rural Development.

MR. MITCHELMORE: Mr. Speaker, generating approximately \$1 billion in visitor spending each year, the tourism industry is a pillar for our province's growth, and is a key contributor for strengthening our economy. I am pleased to advise this hon. House that tourism numbers based on all major travel indicators have increased this season.

Newfoundland and Labrador is known around the world for its scenic coastlines, traditional culture and friendly hospitality, and it is easy to understand why so many travellers want to come here.

Our award-winning "Find Yourself" tourism marketing campaign, which is one of the most recognizable and successful campaigns in the

country, continues to deliver results. Mr. Speaker, I am proud to announce that just last evening our "Paint the Town" contest, launched in May, received the Tourism Industry Association of Canada's Social Media/Digital Marketing Initiative of the Year Award.

SOME HON. MEMBERS: Hear, hear!

MR. MITCHELMORE: We are continuing to develop tourism products and experiences so that visitors want to stay longer, resulting in increased visitor spending.

Based on the numbers, our efforts are working. Up to the end of October this year, Marine Atlantic reported a 5 per cent increase in the number of non-resident automobile visitors travelling to our province; more than 2.1 million people travelled by air, representing an almost 4 per cent increase over the same period last year; visits to our provincial museums are up almost 34 per cent; our provincial historic site visits grew by 16 per cent; over 130,000 travellers visited our information centres, an increase of almost 9 per cent; there were 2.1 million visits to our official tourism website, an increase of 17 per cent; and finally, referrals to tourism operator business listings are up 21 per cent.

Mr. Speaker, I look forward to the continued energy, growth and optimism in our tourism industry. I applaud all those involved especially our operators, partners, the tourism board and Hospitality Newfoundland and Labrador for their ongoing hard work and commitment to making tourism in our province such a success as we strive to increase visitor spending to \$1.6 billion annually by 2020.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Mount Pearl North.

MR. KENT: Thank you, Mr. Speaker.

I thank the minister for the advance copy of his statement this afternoon. It's great to see tens of millions of dollars of investment over the past decade continuing to pay off for our province.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Tourism is, without a doubt, one of the greatest sources of economic success in our province. I'm pleased to hear the minister state that the numbers have increased with respect to tourism. And I, too, commend Hospitality Newfoundland and Labrador, other industry partners and all the hard-working individuals who work and do business in the sector.

Mr. Speaker, the irony of this Ministerial Statement is that the minister has absolutely no issue with taking full credit for advancements and increases that were made by the former government. This year, we've seen a doubling of the gas tax, further increases to Marine Atlantic fees, taxes and fees placed on small businesses in the tourism sector and all of these Liberal initiatives are barriers to further industry growth.

The real cause for celebration today, Mr. Speaker, should be that tourism numbers increased, despite the actions of the Liberal government. Let's hope for growth again next year.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's Centre.

MS. ROGERS: Thank you, Mr. Speaker.

I thank the minister for the advance copy of his statement. Mr. Speaker, great news on the Find Yourself tourism campaign award. Now if only the minister could find himself on the award-winning East Coast Trail and commit to sustainable funding to ensure ongoing trail development and maintenance.

Industry has been requesting for years adequate support to important tourism sector job-building initiatives already underway in the province. Our provincial museums and historical sites themselves are desperate for adequate funding.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further statements by ministers?

Oral Questions.

Oral Questions

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

Mr. Speaker, in the 2015 fall fiscal update the Finance Minister advised they would reduce the use of consultants.

I ask her: How much has government spent on consultants in your first year in government?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MS. C. BENNETT: Mr. Speaker, I certainly welcome the opportunity from the Member opposite to speak to some of the changes that we've been able to make in how government looks at spending for consultants.

One of the first things that we did was to make sure that there was a Treasury Board director that went out to all departments, agencies, boards and commissions, providing them with direction on how Treasury Board would be handling the review of consultant spending. As to the exact dollar amount of where we are with consultant services, certainly that information is something that I can ask officials to pull together for the Member opposite.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

I thank the minister; I look forward to those numbers.

Government has spent \$141,000, as of August 29, on McInnes Cooper with respect to public sector negotiations.

Can the minister provide an update on the total amount spent to date?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MS. C. BENNETT: Mr. Speaker, I can provide the Member opposite with information on what we're doing on collective bargaining. I can certainly provide him information on the resources that we're using.

External advisors are something that many provinces use. This year we made the decision – which had never been used by the former administration, I believe – to provide some additional oversight to the process.

It's important for us as an employer to make sure that we do the things that are correct as part of the collective bargaining process. It's also important for us that we do them not only correctly for our employees, through their union contracts and union leadership, but also the things that we need to do correctly for the taxpayers, the people of the province, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

So I'll ask the minister: Have additional expenditures been paid to McInnes Cooper since August?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MS. C. BENNETT: Mr. Speaker, I thank the Member opposite for the question.

I don't have the information with me today as to the billing for McInnes Cooper. We spend somewhere in the vicinity – I think when the procurement bill was debated – of almost 50 per cent of our \$8.4 billion on a variety of consultants, a variety of services and a variety of things.

The Member opposite certainly has expectations that as a minister, each of us – I think the Members opposite have expectations of all of us to know details. I can certainly provide him the information when I have it. At this point, I don't have the information as of today. But I can reiterate for the Member opposite that we are significantly less resourced, from a public sector support perspective, and using the services outside are certainly something we think is prudent.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: So, Mr. Speaker, if I'm not mistaken, the minister is responsible for labour negotiations. This is a consulting contract that's tied to labour negotiations, so I would assume she'd understand what is the expenditure on labour negotiations.

So is she indicating there have been no expenditures since August on this consultant with regard to labour negotiations?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MS. C. BENNETT: Mr. Speaker, just to be clear, what I'm indicating is that government spends – almost 55 cents out of every dollar that we spend is spent on services and programs. And the Member opposite is asking for a specific contractor. The contracting services would have been approved by Treasury Board earlier this year.

Where the status is of those invoices and where the exact billing is, Mr. Speaker, it would be disingenuous of me to attempt to answer that without having the exact information from the department. That information is something that I do not have today, but I can assure the Member opposite, and make no mistake, that as an employer and also as representatives of the taxpayers, we will go through collective bargaining with the best interests of the people of Newfoundland and Labrador at our forefront.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

All I was asking is the number but, as well, are there expenditures being incurred right now by McInnis Copper. So neither one of those the minister could answer.

The Finance Minister as well has not been able to provide details on the 450 full-time equivalents that I asked about the first day this Legislature opened, the positions cut in government and in agencies, boards and commissions identified in *Budget 2016*.

I ask the minister: Can she tell us today how many people have been terminated since you took office, and have all layoffs been completed for this fiscal year?

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MS. C. BENNETT: Mr. Speaker, I want to correct the Member opposite, with his permission. He asked me in the question before around were there any ongoing expenses related to a contractor that's providing ongoing service. I don't have the exact number for the Member opposite today, but undoubtedly there is ongoing work. We are in active negotiations with our important public sector unions. You can expect there would be ongoing costs.

When it comes to the second question with regard to the implications of this year's budget on the human resource head counts and the position counts throughout government, as well as the agencies, boards and commissions, I'll let the Member opposite know that from a government perspective, I can provide that information when he does a follow-up question.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Provide the numbers if you could, please.

MR. SPEAKER: The hon. the Minister of Finance and President of Treasury Board.

MS. C. BENNETT: Absolutely, if the Member would give me a moment to check the binder here, I have the exact number for the core government.

As he would know, very clearly, government is also responsible for communicating in a budget the impacts – and we did – on agencies, boards and commissions. We have a significant number of agencies, boards and commissions that are responsible for the implementation of their salary budgets. And certainly the information related to whether every single position has been acted on is information that would be in the agencies, boards and commissions. That information I do not have today, Sir.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

Can the Minister of Natural Resources provide me with an update on the progress of Vale's underground mine project at Voisey's Bay?

MR. SPEAKER: The hon. the Minister of Natural Resources.

MS. COADY: Thank you very much.

We're very pleased to have Vale as a partner in our mining sector. They've done incredible work in the province and continue to do that.

I will say, the work that's being done in the smelter is coming to fruition this year, as we know. Vale now has sanctioned the project to go underground mining in their mine in Labrador.

They are progressing through. They are working now to really get their engineering and making sure what they're doing is appropriate. They have been in discussions with employees. They've been in discussions with contractors and making some good progress. They really want to focus on making sure they have their full plan in place as they move forward.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. HUTCHINGS: Mr. Speaker, we have heard there may be some issues in regard to layoffs in the underground mine.

Are you familiar with any of this or advised of any changes?

MR. SPEAKER: The hon. the Minister of Natural Resources.

MS. COADY: Thank you, Mr. Speaker.

As we all know, it has been sanctioned to go underground. Vale has been focusing on making sure that in tandem with progressing with the mine they have their engineering complete, so that when they go to market to ensure that they have the most finalized version of their requirements so that they can get the best price possible.

I understand through Vale that may take a little bit of a time lag. That they would be looking at perhaps a few months before they have that synced to make sure they have their engineering with their procurement to get their best price possible, but they are progressing with the mine.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Opposition House Leader.

MR. HUTCHINGS: Just to be clear, is there a change in the timeline in regard to getting the underground mine up and operational?

MR. SPEAKER: The hon. Minister of Natural Resources.

MS. COADY: Thank you, Mr. Speaker.

Vale has advised us that it may be a few months' delay because they want to make sure they have their engineering finalized as they go out to the

market for procurement. So they are trying to collapse that time as quickly as possible as commodity prices hopefully rise, but they are collapsing that time frame. They really want to make sure they have their engineering and their procurement aligned so they can get the best price possible, but they are committed to going underground.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Opposition House Leader.

MR. HUTCHINGS: I'll thank the minister for that in regard to – she submitted here there will be an adjustment in the timeline.

I'm just wondering: When were you going to let the people of the province know in regard to that project?

MR. SPEAKER: The hon. the Minister of Natural Resources.

MS. COADY: Mr. Speaker, things are progressing. There might be some timing delay, but things are progressing.

Vale has indicated they're going to progress with their underground mine. It has been sanctioned. They are moving forward. They are making arrangements now to go underground. They are just making sure that they have their engineering aligned with their procurement requirements.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Member for Conception Bay East – Bell Island.

MR. BRAZIL: Thank you, Mr. Speaker.

The Minister of Education's former running mate, who was hand-picked to oversee the school board elections, quit months before the election ever happened. The minister, when asked last week, how much his political colleague was paid, would not answer, but

through an access to information we learned he was paid nearly \$11,000 for 39 days of work.

Does the minister think this is reasonable for an incomplete job?

MR. SPEAKER: The hon. Minister of Education and Early Childhood Development.

MR. KIRBY: Mr. Speaker, we're very pleased that we've had the school board election that the previous administration denied the people of Newfoundland and Labrador for so long. It's good to see that we have elected trustees. They had their AGM last week and elected their executive last weekend.

The person who the Member is referring to was hired in accordance with the regulations under the public service, worked for a short time in the department, did a very good job, found a better opportunity and I wish him the best of luck.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Conception Bay East – Bell Island.

MR. BRAZIL: So we had major confusion around the elections. We had a dismal turnout and we had a lost ballot box. That's the note success.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. BRAZIL: The only success here is we have good, committed trustees who are willing to put the education system back on track.

How did your appointed election coordinator manage to accumulate almost \$1,200 in paid leave when he only worked 39 days?

MR. SPEAKER: The hon. the Minister of Education and Early Childhood Development.

MR. KIRBY: Mr. Speaker, from what I understand, the DROs and the returning officers who oversaw this election did quite a good job and I commend them for their good work.

SOME HON. MEMBERS: Hear, hear!

MR. KIRBY: I don't know why the Member seems to want to impugn that in here. I think they did an excellent job.

As I said last week when I corrected the Member, I'll correct him again; no ballot box ever went missing. It was an issue with a fax to email problem. It was a technical issue that was an innocent problem that has been rectified and the person who won that election has taken their seat.

I know the Member continues to be upset. He was beating his chest over there last week about this. He's upset that we gave the people of Newfoundland and Labrador back their right to elect their own trustees rather than have them hand-picked by the previous administration, and I stand by the decisions that we made.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Conception Bay East – Bell Island.

MR. BRAZIL: Mr. Speaker, I do beat my chest sometimes, that's for making sure we impress on the people in this government here that they improve the education system not take away from it.

SOME HON. MEMBERS: Hear, hear!

MR. BRAZIL: After the elections coordinator quit, who completed the work and at what cost?

MR. SPEAKER: The hon. the Minister of Education and Early Childhood Development.

MR. KIRBY: As I said, Mr. Speaker, the election was very well organized. The turnout was higher than the election that happened concurrent with the municipal election that was held while the previous administration was in power. There were six coordinators who were hired. They all did quite a good job, and I believe all of the DROs and returning officers did their work as well. All of the results have now been verified.

We've had legal counsel look over it all. There was a recount that was done in response to a

concern in Zone 12. We're happy that we've returned the democratic governance of public schooling in Newfoundland and Labrador to the people of the province. That right was taken away by the previous administration and we have returned it.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Fortune Bay – Cape La Hune.

MS. PERRY: I ask the Minister of Children, Seniors and Social Development: Since taking office last year, what actions have you and your department taken to address the mental health crisis in Labrador with children and youth?

MR. SPEAKER: The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Mr. Speaker, as the Minister of Children, Seniors and Social Development, I'm responsible for child protection in Labrador. And the children within child protection that need supports and services through mental health, receive that such service.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Fortune Bay – Cape La Hune.

MS. PERRY: I ask the minister: Have you instructed officials to put any additional resources on the ground in Labrador?

MR. SPEAKER: The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Mr. Speaker, this question gives me the opportunity to stand in this House of Assembly as the present Minister of Children, Seniors and Social Development and offer my deepest condolences to the family and friends who were involved in the most recent incident in Labrador; that such incident, that tragic incident happened in 2013.

In Labrador, Mr. Speaker, there are numerous recruitment and retention initiatives, a dozen-plus. So yes, Mr. Speaker, there are additional recruitment and retention initiatives in Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Fortune Bay – Cape La Hune.

MS. PERRY: Over the last 12 months, what Aboriginal groups and leaders have you met with to discuss challenges with mental health and suicide incidents?

MR. SPEAKER: The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Again, Mr. Speaker, I will say, as the Minister of Children, Seniors and Social Development, our department is responsible for the protection of children in Newfoundland and Labrador. In Labrador I have met with Innu leaders from Sheshatshiu, Inuit leaders. We have sat down, we have discussed situations and incidents pertaining to children in care in Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Fortune Bay – Cape La Hune.

MS. PERRY: How many of the total children and youth in care are from Labrador?

MR. SPEAKER: The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Today, Mr. Speaker, 32 per cent, approximately 310 children.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Fortune Bay – Cape La Hune.

MS. PERRY: Can the minister tell us if the number of children in care is growing?

MR. SPEAKER: The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Mr. Speaker, over the last couple of years, in actual fact, the number of children in care has increased.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Fortune Bay – Cape La Hune.

MS. PERRY: During the last 12 months, have you initiated any new programs or services to help vulnerable children?

MR. SPEAKER: The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Mr. Speaker, during the last 12 months we have initiated – yes, we have initiated additional programs. We are piloting some programs right now. As I said earlier, there are 12-plus initiatives focused on Labrador for retention and recruitment.

We are working to ensure that all children in this province are – our social workers go to work every day, Mr. Speaker, to ensure that children's safety is paramount in this province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Member for Fortune Bay – Cape La Hune.

MS. PERRY: Does the department currently have children, youth and family services liaison positions within the Innu and Inuit communities?

MR. SPEAKER: The hon. Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Yes, Mr. Speaker, we do.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Fortune Bay – Cape La Hune.

MS. PERRY: Perhaps the minister, when she answers this next question, can elaborate on how many positions they have in place.

As well, we would like to know: What is the current client-to-social worker ratio in the province's two Innu communities.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Mr. Speaker, just last week the hon. Member asked for a number of stats. All those stats are on our website, almost three pages of them in fact.

Mr. Speaker, the staff social work ratio to client in 2013 was 1 to 77. That was our highest case in Labrador. Today it's 1 to 37. Today, we are working to ensure we get it to one in 20.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Member for Fortune Bay – Cape La Hune.

MS. PERRY: Mr. Speaker, it's nice to see the minister is trying to get herself brought up to speed on some of the statistics in the department.

What is the number of children and youth in out-of-province –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MS. PERRY: Thank you, Mr. Speaker.

I'll ask the question again: What is the total number of children and youth in an out-of-province placement?

MR. SPEAKER: The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Mr. Speaker, I truly cannot give that number here in the House of Assembly. There are certain numbers we cannot speak about, and that is one.

MR. SPEAKER: The hon. the Member for Fortune Bay – Cape La Hune.

MS. PERRY: Perhaps she can get that information for us, Mr. Speaker.

I would like to know, Minister, with respect to out-of-province placements, how many of them are Aboriginal? You can give us a percentage.

MR. SPEAKER: The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: The *Children and Youth Care and Protection Act* prevents me from identifying individual children for their own protection and privacy.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Member for Fortune Bay – Cape La Hune.

MS. PERRY: Again, Mr. Speaker, we're looking for numbers, not names.

I ask the minister: How do you believe the system will get better when you eliminated the stand-alone department of child, youth and family services which was dedicated solely to the task of protecting children and youth?

MR. SPEAKER: The hon. the Minister of Children, Seniors and Social Development.

MS. GAMBIN-WALSH: Mr. Speaker, I not only am the Minister of the Department of Children, Seniors and Social Development, I am a mother of two children and a mother of a child with a disability.

I can assure you that bringing two departments together has not affected front-line work in this department.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Mount Pearl North.

MR. KENT: Thank you, Mr. Speaker.

We've heard from industry that the amount being offered to encourage personal care home operators to take on enhanced care patients is simply not enough based on the additional resources the homes would have to employ.

I ask the minister: Do you believe the proposed amount is sufficient?

MR. SPEAKER: The hon. the Minister of Health and Community Services.

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

The amount that is offered for the enhanced personal care home project is based on the results of the pilot scheme which worked very well, as the Member opposite instituted in his tenure as Minister of Health.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Mount Pearl North.

MR. KENT: I thank the minister for the answer, but I understand homes that were taking part in the enhanced care pilot received more money than what is now being offered.

Considering it costs upwards of \$10,000 a month to care for a patient in long-term care, would government be willing to increase the incentive to personal care home operators to encourage more enhanced beds? The savings are potentially huge.

MR. SPEAKER: The hon. the Minister of Health and Community Services.

MR. HAGGIE: Thank you, Mr. Speaker.

The department has a variety of strategies to reduce the demand on long-term care which is essentially the origin, the genesis of the enhanced personal care home project. This is one tool in our toolbox.

We have added 100 beds to this project. In addition to this, we have a home is best policy. In addition to this, we have looked at enhancing home supports to make better use of the investment in money there. So this is not the sole strategy aimed at reducing long-term care beds demand.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Mount Pearl North.

MR. KENT: Increasing home care sounds great, but that doesn't explain the massive cuts to home support that happened in the budget earlier this year.

Today, numerous personal care homes are caring for Level 3 patients and they receive no additional compensation for doing so.

Will the Minister of Health and Community Services address this and ensure that personal care home operators are treated fairly?

MR. SPEAKER: The hon. the Minister of Health and Community Services.

MR. HAGGIE: Mr. Speaker, we are regularly reviewing the issues that the Member alludes to. There is an active home support review underway. This was completed, and now there is an implementation plan with a 24-point phased suggestion. We have begun extensive consultations with personal care homes, as well as stakeholders from the disability community, and we expect to be able to roll this implementation plan out in line with *The Way Forward* document over the next six to 12 months.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Mount Pearl North.

MR. KENT: I ask the Minister of Health and Community Services: Have the wait-list numbers for those waiting to access long-term care in the province increased in the past 12 months?

MR. SPEAKER: The hon. the Minister of Health and Community Services.

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

Again, consistent with the detailed questions around numbers, I will be happy to check and bring those figures back to the House. It is my impression that these fluctuate both up and down, and there is also a geographical variation. For example, the demand in the Central Region has tailed off compared with historical figures, but I will get him a breakdown and bring those to the House at a suitable moment.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Mount Pearl North for a very quick question.

MR. KENT: I appreciate the minister's response. Numbers in other regions of the province appear to be growing over the past year.

What specific action has been taken in the past year to address the growing demand for long-term care in this province?

MR. SPEAKER: The hon. the Minister of Health and Community Services for a quick response.

MR. HAGGIE: Mr. Speaker, I referenced several of them earlier. There's the home is best, there's the personal care home enhanced care project and we are working through the home support program review. All of these will aim to reduce demand for long-term care beds.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you very much, Mr. Speaker.

The Premier and the CEO of Nalcor reported over a month ago that it was urgent to flood the Muskrat Falls reservoir in order to protect the integrity of the infrastructure at the falls. Nalcor later released water from the reservoir to deal with problems with the cofferdam.

I ask the Premier for an update on this urgent matter. Have the repairs to the cofferdam been completed, and when does he anticipate that Nalcor will start to raise the water level in the reservoir?

MR. SPEAKER: The hon. the Minister of Natural Resources.

MS. COADY: Thank you, Mr. Speaker.

The Member opposite is correct; the cofferdam, which is a temporary structure, was having some seepage. This is not unusual; not unusual at all to have some seepage. Nalcor did lower the water to consider that seepage and make some

additional materials available around that cofferdam. They've also put in some grouting. They're continuing to work on that cofferdam. They will raise the water once they are sure that the cofferdam is to the level and requirements that they have, and that will be done in the next, I am sure, very short time.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you, Mr. Speaker.

I ask the Premier what impact might this lengthy delay in what we were told was urgently needed flooding have on the integrity of this multi-billion-dollar structure?

MR. SPEAKER: The hon. the Minister of Natural Resources.

MS. COADY: Thank you, Mr. Speaker, for the question.

And as I've said, the cofferdam temporary structure had some seepage and Nalcor is working to mitigate those challenges.

There is some concern around the length of time that we've had this fall around raising that water level – not the length of time, but the time of the year that it is. We are concerned about the time of the year and making sure that we have ice coverage – and raising that water level, it would be important to ensure we the ice coverage for the protection of assets.

Nalcor is reviewing, with its engineers – and they have SNC-Lavalin and Hatch available to them with their geotechnical engineers – to ensure that they do everything possible to protect those assets as is required.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's Centre.

MS. ROGERS: Mr. Speaker, Nalcor's major development projects have significant environmental and social impacts on the people of Labrador, yet the Premier has not appointed a single Member from Labrador, nor from a Labrador Aboriginal community to the Nalcor board of directors.

Mr. Speaker, I ask the Premier, who is also the Minister of Labrador and Aboriginal Affairs: How can he justify this glaring omission and what is he committed to do about it?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

This government – the appointments that have been made have been made through an IAC process. So when the IAC process was established and the names came up, we noticed as well that there was no one there that had the experience with Labrador and Aboriginal affairs. That is the reason why we see a number of seats that have been left vacant right now.

We said, even at the release – I'm not sure if the Member opposite would have the details of that. But we made it very clear on that day that we noticed this gap, and we've gone back to the IAC to make sure that there is someone from Labrador and Aboriginal affairs to be available to sit at that seat, with that particular skillset. It's important for us, Mr. Speaker.

Not like the leader of the Third Party mentioned earlier, but we are having a tremendous – and quite often we are communicating with our Aboriginal leaders and people in Labrador. I can say to the leader of the Third Party, Mr. Speaker, that it is not the case what she articulated earlier in Question Period.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's Centre.

MS. ROGERS: But, Mr. Speaker, it's a glaring omission; how he could not have rectified immediately is beyond me.

Mr. Speaker, the Liberty Group identified lack of experience in big hydro projects as a weakness of Nalcor from day one.

I ask the Premier: Why does the new Nalcor board not include someone with major hydro development experience other than the CEO?

MR. SPEAKER: The hon. the Premier.

PREMIER BALL: Thank you, Mr. Speaker.

Well, there's a tremendous amount of experience on the board that was recently put in place this week, using an IAC process. I would like to, once again, reiterate for the Member opposite that there will be someone from Labrador, and someone who has an understanding of Aboriginal affairs will be on that board. That is the reason why there are some seats that were left vacant.

When it comes to the experience, there are a number of skill sets of people that have been recently appointed to that board, Mr. Speaker. The CEO himself has some experience around hydro developments, as well of many of the other members there that would have significant construction experience, significant financing experience that is complemented by the people that are already working on the project.

This is the best board that they've ever had in place with Nalcor.

SOME HON. MEMBERS: Hear, hear!

PREMIER BALL: It was put there by an IAC process, Mr. Speaker. These Newfoundlanders and Labradorians giving their time to see this project through to the end.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The time for Question Period has expired.

Presenting Reports by Standing and Select Committees.

Tabling of Documents.

Tabling of Documents

MR. SPEAKER: Order, please!

In accordance with section 19(5)(a) of the *House of Assembly Accountability, Integrity and Administration Act*, I hereby table the minutes of the House of Assembly Management Commission meeting held on August 24, 2016.

Pursuant to section 43 of the *Citizens' Representative Act*, I am pleased to table the Citizens' Representative annual digest for 2015-2016.

Further tabling of documents?

Notices of Motion.

Notices of Motion

MR. SPEAKER: The hon. the Minister of Service NL.

MR. JOYCE: Mr. Speaker, I give notice that I will ask leave to introduce a bill entitled, An Act Respecting Regulatory Accountability And Reporting, Bill 54.

MR. SPEAKER: Further notices of motion?

The hon. the Minister of Business, Tourism, Culture and Rural Development.

MR. MITCHELMORE: Mr. Speaker, I give notice that I will ask leave to introduce a bill entitled, An Act Respecting The Rooms Corporation, Bill 56.

MR. SPEAKER: Further notices of motion?

The hon. the Minister of Health and Community Services.

MR. HAGGIE: Thank you, Mr. Speaker, I got quite carried away.

Mr. Speaker, I give notice that I will ask leave to introduce a bill entitled, An Act Respecting Secure Withdrawal Management For Young Persons, Bill 55.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further notices of motion?

The hon. the Government House Leader.

MR. A. PARSONS: Yes, Mr. Speaker, pursuant to a request by the Chair on Tuesday, I would move:

BE IT RESOLVED that the Public Accounts Committee of the 48th General Assembly is authorized to consider and report upon evidence heard by the Public Accounts Committee at hearings conducted during the fourth session of the 47th General Assembly and related documentation.

MR. SPEAKER: Further notices of motion?

The hon. the Government House Leader.

MR. A. PARSONS: Further to that there has to be a vote, Mr. Speaker. So I would ask leave from my colleagues if we can do so.

MR. SPEAKER: All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

Answers to Questions for which Notice has been Given.

Petitions.

Petitions

MR. SPEAKER: The hon. the Member for Mount Pearl North.

MR. KENT: Thank you, Mr. Speaker.

To the hon. House of Assembly of the Province of Newfoundland and Labrador in Parliament assembled, the petition of the undersigned residents of Newfoundland and Labrador humbly sheweth:

WHEREAS the government has not implemented curriculum to teach the basic monetary skills needed by our youth; and

WHEREAS the government of our province has the responsibility to act in the best interests of our youth; and

WHEREAS the youth of our province deserve the greatest level of respect and consideration;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to introduce financial education into provincial curriculum to prepare youth for the monetary and financial challenges of life upon entering the workforce.

And as in duty bound, your petitioners will ever pray.

Mr. Speaker, this has been a growing issue for some time. There's been lots of discussion that I've had with young people about our career development education in our schools. It's clear that there is more practical education around financial literacy needed in our schools, junior and high schools.

I met with a group recently who's been trying to get a meeting with the Minister of Education for months and has been unable to do so. The group is called Financial Literacy for Youth or FLY financial. It was founded in January 2016.

The purpose is to teach basic financial and money management skills to high school youth through their career development class. They have been to three different high schools as volunteers presenting to over 300 students so far. The team consists of three Memorial University alumni. They present to schools in this region, in the capital region, but they want to expand across the province and it would cost very little for them to do so.

The lack of financial literacy is causing many people in our province, young and old, to be taken advantage of by credit card and lending companies. The lack of awareness can have a large impact on people's financial futures.

Thirty-four per cent of Canadians say they hope to win the lottery in order to finance their retirement. Young people are not being taught enough about debt or savings, or financial management in general. Teaching young people

about savings and debt could help future generations.

Bankruptcies are increasing. We expect they will increase more in the coming years based on what's happening with our government and with the economic downturn. The current state of the economy really calls for increased awareness of personal finances. Individuals can find themselves in trouble by acquiring too much debt. This is happening to families in our province every day.

Lending institutions make their money from charging interest. Albert Einstein once said: Compound interest is the eighth wonder of the world. Those who understand it, earn it. Those who don't, pay it.

We have a group of people in our community that are looking to positively impact the career development curriculum to teach youth valuable skills. Everyone will eventually have to face personal financial decisions and we need to prepare young people coming out of our high schools to be prepared for success in life.

There's a real need here. There's a real opportunity. I urge the Minister of Education to listen and to take action.

Thank you.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

Before I recognize the Member for St. John's East – Quidi Vidi, I'm more than delighted to welcome the noise from our visitors but all other Members of the House, I ask you to try to lower the volume.

The hon. the Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you very much, Mr. Speaker.

To the hon. House of Assembly of the Province of Newfoundland and Labrador in Parliament assembled, the petition of the undersigned residents of Newfoundland and Labrador humbly sheweth:

WHEREAS Newfoundland and Labrador has the highest percentage of the workforce earning the provincial minimum wage in Canada, with women, youth and those from rural areas making up a disproportionate number of these workers;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to legislate an immediate increase in the minimum wage to restore the loss of purchasing power since 2010 and an annual adjustment to the minimum wage beginning in 2016 to reflect the consumer price index.

And as in duty bound, your petitioners will ever pray.

Mr. Speaker, I'm very happy to bring forward this petition today which is signed by people from St. John's. Many people, who I know, themselves, are working on minimum wage. They are not very happy with the fact that the Minister of Advanced Education, Skills and Labour last week announced that the minimum wage is going up in 2017, not 2016, which would put them back even further than when they signed this petition last year.

The minister seems not to have listened to the plea of people in this province. People who have not had an increase since 2010, people who are so far behind now that they will continue to be behind when they get a measly 25 cents raise in April, 2017, and another one in the fall of 2017, Mr. Speaker.

The people who had signed this petition understand they are going to be further behind. When the minister made his announcement last week, he liked to point out this will bring us up beyond being the lowest in Canada in comparison to the other provinces. I'd like the minister to realize, they're not standing still. Next year as ours goes up, way too late, the other provinces will also be going up.

We probably will still be the lowest in all of Canada, Mr. Speaker. The people who signed this petition know that. They are the ones who are going to food banks, they are the ones who are not able to make ends meet, they are the ones who are going to pay loan agencies. Something

that we're going to be dealing with in the House of Assembly today, actually, with regard to people who earn so little sometimes in absolute desperation having to go to payday loan companies in order to keep going on a daily basis from paycheque to paycheque. The minister does not seem to be in touch at all with what people working on minimum wage are going through.

Thank you very much, Mr. Speaker.

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

MR. HUTCHINGS: Thank you, Mr. Speaker.

I am pleased to rise today in this hon. House to present a petition.

To the hon. House of Assembly of the Province of Newfoundland and Labrador in Parliament assembled, the petition of the undersigned residents of Newfoundland and Labrador humbly sheweth:

WHEREAS *Budget 2015* announced a new school for the Witless Bay-Mobile School System; and

WHEREAS the planning and design of this school was completed; and

WHEREAS the project was cancelled in *Budget 2016*;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to reverse its decision and construct the proposed school for the Witless Bay-Mobile School System.

And as in duty bound, your petitioners will ever pray.

Mr. Speaker, this is relevant to my district, the District of Ferryland, and from the area of Bay Bulls to Bauline. Over the past number of years we've seen significant growth in the region with new subdivisions and homes being built and people moving into the area. As well as people who grew up in the area building new homes.

With that ongoing, we've been able to build the necessary infrastructure in some respects related to recreation with a new Lifestyle Centre in Bay Bulls. We've done tremendous upgrades to the Southern Shore Arena. The facility in Bay Bulls has a daycare centre. As well, with that we have a need for an upgrade in educational facilities. We've built on to St. Bernard's in Witless Bay with three new classrooms, put on two portable classrooms.

If you will, the way forward had been and always was to get to a point where we'd build that new school, an intermediate school, to take pressure off St. Bernard's and to take pressure off Mobile Central High, and that was announced in 2015. For some particular reason in this budget, it was cancelled outright. Now I continue to hear from parents, community groups that are distraught in regard to the over amount of kids that are in classrooms, the resources that are available. Classrooms have been set up in the cafeteria. Music class being taken away because kids can't get that exposure to the educational levels they require. It's certainly not appropriate and we need to ensure that this infrastructure gets started, gets built.

There has been little details from the Department of Education of where they're going and how they're going to handle what we're seeing in the district in regard to new families and young children flowing into St. Bernard's, the doubling up of classroom and sizes. This is detrimental to the region, to the families and to the youth of this region. It's certainly not acceptable and there has been no indication from the Department of Education, or this Liberal government, of why this would be cancelled.

They've gone forward with other infrastructure. They're always quick to jump up and talk about all the infrastructure spending they're doing, but for whatever reason this was cancelled. It's not appropriate, it's not good. It's not good for the region and the families. It's all part of economic activity, which we've heard very little from this government about, but if you're going to build economic activity you need to build the infrastructure. It has been done for the past 10 years and it needs to continue.

I implore this government to step up and fix this mistake they made, and ensure this school gets started and gets started immediately.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Conception Bay East – Bell Island.

MR. BRAZIL: Thank you, Mr. Speaker.

To the hon. House of Assembly of the Province of Newfoundland and Labrador in Parliament assembled, the petition of the undersigned residents of Newfoundland and Labrador humbly sheweth:

WHEREAS the government has cut vital funding to the Boys and Girls Club on Bell Island, negatively impacting important programs and services;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to reinstate previous funding in order to allow this organization to carry on its positive work in the community.

And as in duty bound, your petitioners will forever pray.

Mr. Speaker, obviously this past week has been disheartening for a number of youth organizations in Newfoundland and Labrador, but particularly for every citizen here because they see the impact this is going to have on our society.

We all realize the most vulnerable sector in society is our young people, but particularly, when we have volunteer boards and organizations who are willing to go out of their way to do whatever it takes to ensure that young people and our children have services in their respective communities and are given an opportunity to be better engaged, an opportunity to be functional, an opportunity to have experiences, an opportunity to be themselves and be in a safe environment, Mr. Speaker.

What's happened this year and with this administration and this past budget is devastating to these organizations, but it is devastating to our ability to ensure that we get young people more engaged and produce what communities have set out to do. Citizens who have an opportunity to be themselves and be the best they can be.

These organizations in the last number of days have been constantly reaching out to all of us here in the Opposition side asking the questions as to why. We're talking nickel-and-dime investment from a government point of view. There has to be a better way for government to realize this investment not only does it save you money, it generates money.

It has already been proven. Economist will say the minimum of a four-to-one return on every dollar invested in the sector around community engagement, particularly young people, you get it back. In some cases it's 8, 10, 20 per cent. The issue here is around the semantics around core funding. This is core funding because these are organizations that for the last 30 years have filled out the same application, filled in the same things they do, the same process.

The project funding is money that they leverage from all kinds of other organizations, other funding sources, the private sector, the partnerships they develop, their own particular fundraising; that's where the project money goes from. So we play it on an application process for administrative reasons.

Mr. Speaker, I was there, so I know exactly what this means. I know what the definition of core funding was and I know what the intent was and I know what the expectation was from people. No doubt, the expectation from these organizations – and you've heard it; they have no vested interest, other than improving the lives of young people. We're talking thousands of volunteers that are engaged here. We're talking about millions of dollars that they leverage for a small investment by government. In this case what government did was cut that.

Mr. Speaker, I want to add this petition. I'll be doing that over the next period of time to outline our outrage in the cuts to youth organizations in this province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. A. PARSONS: Orders of the Day.

MR. SPEAKER: Orders of the Day.

Orders of the Day

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

MR. A. PARSONS: Mr. Speaker, I call Order 2, third reading of Bill 50.

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Finance and President of Treasury Board that Bill 50, An Act To Amend The Vital Statistics Act, 2009 No. 2 be now read a third time.

MR. SPEAKER: It is moved and seconded that Bill 50 be now read a third time.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

CLERK (Ms. Barnes): A bill, An Act To Amend The Vital Statistics Act, 2009 No. 2. (Bill 50)

MR. SPEAKER: Bill 50 has now been read a third time and it is ordered that it do pass and its title be as on the Order Paper.

On motion, a bill, "An Act To Amend The Vital Statistics Act, 2009 No. 2," read a third time, ordered passed and its title be as on the Order Paper. (Bill 50)

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Municipal Affairs and Service NL, for leave to introduce a bill entitled, An Act To Amend The Labour Standards Act No. 2, Bill 53, and I further move that the said bill be now read the first time.

MR. SPEAKER: It is moved and seconded by the hon. the Government House Leader that Bill 53 be now read a first time.

Is it the pleasure of the House to adopt the motion?

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

Motion, the hon. the Minister of Advanced Education, Skills and Labour to introduce a bill, "An Act To Amend The Labour Standards Act No. 2," carried. (Bill 53)

CLERK: A bill, An Act To Amend The Labour Standards Act No. 2. (Bill 53)

MR. SPEAKER: Bill 53 has now been read a first time.

When shall the said bill be read a second time?

MR. A. PARSONS: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, Bill 53 read a first time, ordered read a second time on tomorrow.

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

MR. A. PARSONS: Mr. Speaker, I call Order 4, second reading of Bill 52.

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

MR. A. PARSONS: Mr. Speaker, I move, seconded by the Minister of Education and Early Childhood Development, that Bill 52, An Act

To Amend The Consumer Protection And Business Practices Act, be now read the second time.

MR. SPEAKER: It has been moved and seconded that Bill 52 be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Consumer Protection And Business Practices Act." (Bill 52)

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

MR. A. PARSONS: Thank you, Mr. Speaker.

I'm very happy to stand here today and debate this very important piece of legislation that has been quite a time in the making. This is something that has been in the public's eye now for a number of years. This topic, when we talk about payday legislation, we talk about making sure that we do everything we can to protect the consumers' best interests.

In fact, I can remember this topic being around when I first got elected and actually having conversations with various Members to discuss this because at that time – and, again, being very new to this – it was not something that I had any experience with, that I had any dealings with. But I heard about it and I remember doing what I could to look into it and discuss what seemed to be a very good idea. Unfortunately, at that time, for whatever reasons – and no one knows why that never went forward, but I thought it was a good idea then and I certainly think that it's a good idea now.

I'm happy to stand here and speak to this piece of legislation. I want to speak to my personal experience of just hearing about it and seeing how it progressed. We've all dealt, I'm sure, with constituents who have found themselves in situations where they're in desperate need and where they need to find ways to provide, but they put themselves in situations where they can bring themselves in perilous situations. In fact, maybe in certain situations, get them in trouble. Now, we all know there are others who use this service and I'm sure they make out just fine.

In many cases this is what we do as legislators and policy-makers. We have to take steps to

protect the best interests of the people of this province. I think this piece of legislation is one that does so.

Again, I know the Minister of Service NL will be speaking to this. I also understand we have various Members – in fact, I think one of my colleagues will also be speaking to his because it's something he's found quite interesting.

At this time, I'll take my seat. I look forward to the debate on this important legislation. Thank you for the opportunity to speak to it.

MADAM SPEAKER (Dempster): The Speaker recognizes the hon. the Minister of Municipal Affairs.

MR. JOYCE: Thank you, Madam Speaker.

I thank the Member for Cape St. Francis for letting me – usually we alternate back and forth. I just had to step out for a second, so I thank the Member for Cape St. Francis for allowing me to speak on the bill.

Madam Speaker, I rise in this hon. House today to open debate on amending the *Consumer Protection and Business Practices Act*. This legislation is long overdue and will finally put regulations in place regarding payday lending in our province.

A payday loan is a short-term loan for a small amount of money provided by a non-traditional lender. The payday loan activity in this province is comprised of store fronts and Internet operations.

In 2007, the federal government amended the *Criminal Code of Canada* to support provincial regulations of payday lenders and it encouraged the provinces to develop their own regulations. While most jurisdictions put regulations in place, the government of the day in the province announced in June of 2010, it would leave the industry unregulated.

Payday loans are being used by individuals who cannot avail of more traditional forms of credit from banks or credit unions, and so leaving these consumers without regulations is unacceptable. This legislation will allow our government to require payday lenders to be licensed and will

impose restrictions and obligations on payday lenders to protect consumers.

This proposed legislation delivers on our government's commitment to strengthen consumer protection in our province. Madam Speaker, this legislation is not intended to promote the use of payday loans but protect those who avail of it.

This legislation will enable the provincial government to provide the following protections for users of payday loans: we will limit the total cost of borrowing for payday loans; we will require payday loan agreements to include specified terms, information and disclosure statements; we will provide borrowers with cancellation rights; we will make certain payday lenders practices prohibited by regulation; we will provide borrowers with remedies when payday lenders do not honour their obligations under this legislation.

This legislation positions the province to set out regulations so that these protections can be put in place. We will establish these regulations over the year.

As an example, this legislation allows government to set regulations regarding the maximum cost of borrowing expressed as a specific dollar amount per \$100 borrowed. In other jurisdictions, the amount of cost ranges from \$15 to \$25 per \$100 borrowed. Our government is promoting setting a maximum cost of \$21. This is in response to a 2009 Ernst & Young report that stated the average cost of borrowing was \$21.50.

We believe this amount protects consumers and allows payday lenders to operate, but we are open to input as we develop the final regulations. We will also establish a licensing process to establish legitimate payday lenders and establish a licensing fee. By putting these measures in place, we'll finally give consumers in our province the kind of protection that is already enjoyed by residents in other provinces.

When the government of the day announced they would not regulate payday lenders in 2010, that decision meant it chose to uphold the maximum interest set out by the *Criminal Code of Canada*. Under the *Criminal Code of Canada*

the maximum a lender can charge is 60 per cent interest on an annual basis, with interest being defined as the total cost of borrowing, including fees and charges. When the government of the day announced its decision it stated, and I quote: "We do not want individuals being gouged or putting themselves more in debt and having a hard time catching up because of high interest rates for these types of short-term loans."

It has been proven that it's not possible to enforce the 60 per cent interest rule in the Criminal Code on the payday loan lending organizations. This was confirmed a few years ago when the Department of Justice filed a complaint and the law enforcement related to breaches of the Criminal Code related to payday lending. The investigations concluded in 2003 with no charges laid and it was determined prosecution was not in the public interest.

Madam Speaker, the reality is that payday lending is taking place throughout the province. It requires regulations to protect consumers, and almost all other jurisdictions in Canada have established regulations. We are responding to these realities by developing legislation that reflects the best practices in Canada. With this legislation, we will help protect people in our province who need to avail of the services of payday lenders and are already using them.

Before I conclude, Madam Speaker, I want to address the main argument that the former government put forward to defend their decision not to regulate payday lending. The former government argued it would not regulate payday loans because doing nothing could result in consumers facing annual rates of nearly 550 per cent. The argument is based on a false assumption.

Payday loans are not taken out for a period of one year. Our maximum regulation includes a recommendation for a maximum loan term of 62 days, arguing payday loans have an annual interest rate of 550 per cent. To stay in a hotel that offers \$100 per night room has a total annual fee of \$36,500 a year, per stay. People don't use the service like that, so it's incorrect to discuss it in that manner.

We know payday loans are being used by individuals in our province, and having these

consumers without the protection of regulations is unacceptable. This legislation will allow our government to require payday lenders to be licenced, and will impose restrictions and obligations on payday lenders to protect consumers.

This legislation delivers on our government's commitment to strengthen consumer protection in our province, and I am proud to bring it forward in this hon. House.

Thank you, Madam Speaker.

SOME HON. MEMBERS: Hear, hear!

MADAM SPEAKER: The Speaker recognizes the hon. Member for Cape St. Francis.

MR. K. PARSONS: Thank you very much, Madam Speaker.

It's a privilege to get up here again today and talk on Bill 52, which is a very important piece of legislation. It's very important. It's a part of society and part of what we should be regulating. It's a part of what, I guess, the consumer sometimes out there today – we want to make sure they're protected in the best way possible.

If you look at payday loans, a lot of people have used the loan system. It's a great service, but it's also a service that sometimes people can get into and get in over their heads.

I have some questions for the minister – like I did when I was in the briefing – about it later on. What that's going to entail is like when people do get to the bankruptcy stage and stuff like this. So I have some questions for him, and that I will be asking.

This piece of legislation, what it's basically doing is it's going to limit the total amount of cost of borrowing through payday loans. Again, this is another bill that we kind of look at and say it can be great but the devil is really going to be in the regulations on this one also because we don't know what the regulations are going to be. We're just assuming through the briefings and everything else. The regulations are still yet to come on this bill. So it's going to be important what the regulations basically are.

One of the things they're looking at doing is the possibility of having a total cost – the total amount that you can go and borrow will be \$1,500. That's good that there is a limit on how much you can borrow, but when I asked a question when we were doing the briefing – sometimes what happens when people get into small loans like this, they borrow to pay off the loan. I was hoping there would be some kind of regulation in that, that we don't put people in that position again. Because if you look at the interest rate, it will just continue to accumulate as it goes on.

The other thing about this also, it will have specific terms and it will give you information. Every bit of information that you need for that loan – because sometimes you can just go into these counters and have your paystub or whatever you got there, and they'll give you the loan.

Right now, there's going to be another regulation that hopefully, it'll give you the terms of what the loan is about. It will give you the information of the loan. It will show you how much money – if you pay it off in this period of time, how much money, and that's important to people because sometimes people are in dire straits. They just need that money right away. I need to get it. I'll pay anything for it, but I need that money today. That's what happens in a lot of cases.

There are some cases where payday loans, people use them and they're great for the person, because if something comes up that you don't have the money right away for and you need that money, obviously, this is a good way to do it. I'm not saying that all payday loans are negative but in some cases people are really desperate. At that time it's good to let them know what they're really getting into. That's a good part, but it's part of the regulations that we all thought out.

Also, part of the regulations will be is that sometimes when people go to payday loans and stuff like that, and you go home and it could be your wife, it could be your husband, whatever, it could be a family member, there's a part of the regulation coming in that will be able to give you one day. So if you go in and you get a loan through a payday loan lender and you go home that evening and you realize, wow, what am I

after getting myself into, or there could be a family member or it could be somebody else who will come along and say, listen, why are you doing this?

Part of the new regulations coming in here also will allow cancellation rights, it's called. Under cancellation rights, it will give you up to 24 hours to cancel. So you can go back the next day and say yesterday the circumstance was this, last night we discussed it and this is what happened. Sometimes when people use payday loans or whatever it is, it's a very rushed thing. You can't go to the bank, to wait to get the paperwork done, or you can't do this. So it's an important piece of legislation and a regulation, hopefully, that's going to be brought in that you can do this.

That's what's done in other provinces, by the way. It gives you the right to be able to cancel it within the one day. Sometimes, I'm sure, in the past this was a huge problem, especially for people coming home and saying I have the money now to do this or whatever. So this gives you a way out if there's another avenue which is pretty good too. I have to say that's a great piece. Most of the certain stuff that lenders will practise; all of this will be in the regulations when it comes down afterwards when most of the regulations are done.

The minister also mentioned that this is done in most provinces. I think the only province that it's not done in – passed similar legislation – may be Quebec. I think Quebec has different legislation than other provinces. New Brunswick brought in this same legislation but they haven't proclaimed it yet. That was over a year ago since then. So that's another question I'll have down the road for the minister because people are looking for this kind of legislation.

The legislation doesn't only apply to stores that you can go into, it's also for online. Today, we all know how online works; you can write a cheque to somebody, take a picture of it and they got it. I don't do it. I don't know how to do it, to tell you the truth, but I know people do it all the time. It's a part of who we are today with online. Everything you can do today is online, so these regulations will also be brought in for the online users that do this also.

The interesting part about this piece of legislation, Madam Speaker, is that this is provincial. The federal government doesn't regulate it so the provinces are on their own to make sure that the industry – this type of industry is only done by the provinces. Regulations and legislation has to come in through the provincial government.

Madam Speaker, if you look at the legislation itself, there are some really good things in it. The part I mentioned earlier is to give people information. It's so important because I know in anything that you do, sometimes people have second thoughts. When you read something in front of you and you say, oh my God, okay, I'm going to borrow \$500 but it's going to cost me this much money down the road because sometimes you have to realize – so it's so important that all this is done.

This is part of what this bill is doing, is making sure that people have to sign off. So when you go in and get this loan, all the paperwork will be in front of you and you'll be told, okay, this is what it's going to cost, this is the amount of money that you're borrowing, and 62 days is the length of the term. So the longest that this can go out for is 62 days.

That's the part probably that I like the most about the bill because sometimes as we know people get into – you can have a Visa card and somebody pays off the minimum payment of a Visa card; you can be years because all you're doing is paying off that interest and it keeps on accumulating and accumulating down the road. So that's a real good part of this bill. If you need the money and it's a short-term thing, well, 62 days and it has to be paid off.

Now, my thing with this loan thing is that I'd like to see the regulations somehow so you just don't go borrow money to pay off and keep paying off and keep paying off. Then you will accumulate interest and interest down the road. I'll ask a few questions about that when we get to it.

But there is standard legislation, like I said, in all the provinces other than Quebec. The officials in the Department of Service NL indicated that the main thing that they were trying to do was to do

the length of the term and the amount of borrowing. That was the gist of this bill.

The huge thing – and I know the minister also mentioned it – is the cost of borrowing. Sometimes you can look at interest rates and some people will offer 3, 4 per cent and then you look at some credit cards and they are up to 29 per cent and stuff like that. So this part will be regulated now. So in Alberta, it's \$15 on every \$100. In PEI, it's \$25 on every \$100.

Ernst & Young conducted for Ontario and they looked at the cost, because obviously these people have to do business. To do business they need a store, they need employees, they have overheads and everything else, so there is a cost to doing this type of business. And payday loans can be a great thing. It's a quick fix when someone finds themselves in a circumstance that they need it, so there is a cost to it.

After they looked at all the different jurisdictions across Canada they came up with a cost of 21.5, so that's \$21.50. That's what Ernst & Young did with Ontario. So we determined in Newfoundland and Labrador, our officials in the department determined that \$21 would be the cost per \$100 being considered for Newfoundland and Labrador. Again that's in the regulations. We don't know that for sure yet. We're hoping that that's where government is going to go, but that's part of the regulations that will be brought in.

Also payday loans themselves have a lot of issues too. Like I said before, they supply a service. It's a service to people. They have costs and you have to look at the costs that they have: people with bad debt, the cost of collecting money, you have store front costs, you have credit checks and you have all kinds of administration costs. So that's why this \$21 that Ernst & Young went and had a look at, they said this is reasonable. So I hope government stays with that.

Under the legislation we're doing here today – just to conclude now in a second – the principal and the term of the loan are issues that we're looking at. We're looking at the total cost of borrowing. We're looking at the timeline. You have 62 days that the person will have to get the loan paid off, which is good.

Sometimes if you look at these payday loans, and in the past you look at the amount of interest they can charge, the longer it goes on the more money people will have to pay. It's all about trying to protect the consumer, trying to protect the residents of Newfoundland and Labrador to make sure there's a service there they can avail of and they get the best deal and they're not gouged.

I think the bill will go a long way in helping that, but as I went over and did the briefing with the department, a lot of the details are going to be in the regulations that are coming afterwards. I'd really like to see the details, but these are the things they discussed at the briefing. They told us this was the plan. A limit of \$1,500 and the total number of days is 62 days.

I want to thank you for your time, Madam Speaker. That's what I have to say about this bill.

Thank you.

MADAM SPEAKER: The Speaker recognizes the hon. the Member for Stephenville – Port au Port.

MR. FINN: Thank you, Madam Speaker.

It's certainly great to rise today to speak to Bill 52, An Act to Amend the Consumer Protection and Business Practices Act. Basically, what we're doing here under consumer protection, which falls under the mandate of the Minister of Service NL, essentially we're talking about payday loans, as alluded to by the Member for Cape St. Francis, as well as our Government House Leader and the Minister of Service NL briefly spoke to.

First, I guess I'd like to take the opportunity to thank the minister, as well as his parliamentary secretary, the Member for Lab West for their due diligence in working with staff to come up with the legislation with respect to this. It's something I think has been debated about here in the House before. If I'm not mistaken, I know it came up after 2007, again in 2010 and subsequently, I believe, in 2011, there were questions in this House back and forth on particulars around implementing legislation to regulate payday loans.

So it's certainly something very important to talk about, whenever we're talking about protecting consumers. Essentially, protecting consumers in this province is protecting the people. It's extremely important that we have provisions in place to ensure that people are being treated fairly and that's specifically with respect to finances. Of course, finances are very important to each and every one of us. I want to thank the minister and his staff for bringing in this important piece of legislation.

Whatever the reason anyone might use this service – and be it, as mentioned, that someone may fall on hard times and requires a loan, perhaps looking for a bit of extra spending money, or it could be something to bail them out of a situation, it could be a student requiring additional finances. Whatever the reason anyone uses a loan, the important piece here is that there needs to be regulations around to protect that individual. Right here, we're not entirely promoting the use of payday loans but we're looking at the ability to regulate it.

In terms of protecting consumers, this was something that came up in the mandate letter, I understand, to the Minister of Service NL as well. Part of that would be to take a look at other jurisdictions in the country, take a look at other provinces in the country and see what they're doing in terms of protecting consumers across all levels. So this is just one example of the minister following through on that mandate letter.

In looking at other jurisdictions, as was mentioned, Newfoundland is one of the only jurisdictions that still do not have any legislation in place regarding payday loans. It's quite concerning. We don't like to be falling behind the times, if you will, particularly around something as important as this.

The payday loan kind of field, if you will, came prominently around the early 2000s. In 2007 it prompted the federal government to actually amend the *Criminal Code of Canada* to support legislation around regulating payday lenders. It encouraged the provinces at the time to develop their own regulations. While most other jurisdictions did put regulations in place, as I say, Madam Speaker, we're certainly one of the last to follow suit.

The former administration, I understand, had looked at this and had opportunity to do so. At the time, when they looked into it – I think it was in 2010 – they came out and said that they would just certainly at this time leave the industry unregulated. So it's just an example. It's alarming to hear on this side of the House that we had an opportunity under the former administration to implement regulations, introduce legislation around this, around payday loans and we didn't follow through on it.

This is something that this government notices again. Ironically, it falls under the Minister of Service NL who is also the Minister of Municipal Affairs. We spent some lengthy time in the House last week and again this week discussing the procurement act. And the procurement was just another example of legislation that the Opposition had opportunity to introduce and failed to do so. So here we are now, I guess, picking up the ball again, if you will, that they had dropped in terms of not following through on implementing some legislation.

So I guess some of the key components here – it's going to allow the lenders of payday loans to be licensed. Right now, these areas aren't entirely licensed and we're going to be able to impose restrictions and obligations on the lenders. So there's going to be a variety of restrictions and obligations on the lenders to ensure that they live up to their commitment in terms of honouring the best business practices and protecting our consumers.

And I understand that there are some dozen to 15 or so, somewhere in that vicinity, 12 to 15, it could be upwards close to 20 different institutions in this province right now that would certainly fall under this bill as a payday loan lender. So by licensing them and providing regulations for them to abide by – I also understand that the minister's department had consulted with some of these organizations. And we've heard that they're looking forward to regulations.

Right now, there are not too many things that are limiting and prohibiting them from what they wish. The *Criminal Code of Canada* – I believe under section 347, as was noted – would require payday lenders that they wouldn't be able to

borrow anything up to an annual interest rate of 60 per cent, but what we're seeing with these payday lenders is that they're able to kind of circumvent that in some areas. So I think this led to the Department of Justice and Public Safety launching an investigation and, in 2013, they came back and said well, there was nothing that could be done at the time due to the best interest of the public.

But as a result of that, we now have these organizations and financial institutions and financial lending arms kind of creating their own rules, if you will, to some degree.

I'll give you an example because I was actually an individual who took advantage of one of these payday loan institutions. It wasn't that long ago. Just over 10 years ago, I was a post-secondary student here in this province and finding myself in need of a few extra funds, I believe. I distinctly remember going to one of the payday loan lenders here. And it kind of worked out something like this. Well, you were under the impression and told you would be given X amount of dollars of a loan. If you wanted \$100, it may cost you \$140. But, in addition to that, there would be a fee. There would be an application fee; it could be \$25.

And once you pay your application fee, then they've giving you a debit card. Then there's a charge every time you use that debit. In addition to that, while they tell you that there's an interest rate, could say 20 per cent or more, there might also be a surcharge. So by the time you're all said and done, some of the interest rates that were involved in these payday loans could be upwards to 300, 400, 500 per cent in instances.

So it's one thing for individuals who need money in a time, whether again it could be undue hardship, it could be just looking to take on another extracurricular or for whatever reason, but to be completely gouged or misled and misguided in doing so is not fair to the consumer, certainly not fair to anyone. So it is extremely important that we look forward in moving with this legislation.

Under this legislation we're going to limit the total cost of borrowing. As I just alluded to, there could be a number of fees captured in the payday loan piece, be it your upfront fee, your

application fee, your debit card use fee, another surcharge, the principal of the loan, the actual interest on that principal and so on and so forth.

So under this legislation what we're aiming to do is to capture the total cost of borrowing. Based on a jurisdictional scan, and the minister alluded to that as well in his opening remarks, as did the Member for Cape St. Francis, the ranges right now on this total maximum cost from other provinces that have this legislation is somewhere around \$15 to \$25 per \$100 borrowed. So somewhere in that range – I think Ernst & Young had done a report, and they've concluded that \$21 would be kind of a key figure we could work with here based on your per \$100.

Based on that, this is the amount we're looking at setting as the total cost of borrowing. That would, in fact, ensure that these loan institutions or financial arms that engage in these payday loans would ensure that every other fee they factor in there would be captured in this total cost of borrowing. They are taking away any of this hidden fees or hidden surcharges.

In addition to limiting the costs of borrowing, we are also going to now require them in this legislation to ensure that the loan agreements are specified. And specified in a sense that we have an exact idea on what the terms are, what the information is going to be in that contract and the disclosure statements of such. Because a lot of times, as most people are aware, when you go to sign financial statements and documents there's always a fine print and there's always an extra stipulation, and there's always another piece added on there.

So an important piece of this legislation is to ensure that these agreements are clearly specified with their terms, their duration, the information and disclosure statements.

We're also going to do, under this legislation, provide borrowers with a cancellation right. This is an important piece because I think, fair to say, I'm certainly guilty of having done this before. Perhaps you might make a decision or engage in a business transaction or a financial transaction and say, oh my God, why did I do that, or should I not have done that – kind of a buyer's remorse attitude, if you will, where you had a second thought.

Under this legislation, in terms of the cancellation right, it is specified in there. I'll let the minister speak to it perhaps when we get to the Committee stage of the bill. But, in essence, it's around you have enough opportunity that if you engaged in a contract for a payday loan and went home that evening we'll say – perhaps you went home and you had a talk with your spouse or your family and they kind of decided, in the best interest of the financial situation right now, we should not engage in this payday loan.

If you didn't already, obviously, extract money and use, or cash in part of that loan, the specifics in the legislation would allow you, as a buyer's remorse, to go back the following day and to cancel out without penalty. Some of those regulations will come forward in due time, but that's kind of the idea. So that there is a bit of a buyer's remorse situation here, and giving the consumers and the people in this province an opportunity to kind of go back to the institution and speak about this once again.

One of the other things we'll be doing with respect to this legislation is making certain payday lender practices to be prohibited. Certain things they are into now would certainly be prohibited, and providing our borrowers with remedies when the lenders do not honour their responsibilities. So kind of along the same lines as this buyer's remorse attitude, but we'd be making sure the lender's practices, certain practices they have now would be prohibited and when they do not honour their responsibilities there would be repercussions as well.

I think it's an extremely important piece of legislation. It positions us to set out regulations in this field. Again, something that's not uncommon in other provinces in this country.

Some of the other interesting components of this is we're developing an act that is going to look at some specific terms. Some of the definitions in there, as I said, will probably come through a bit clearer at the Committee stage, but as the Member for Cape St. Francis alluded to a maximum term of around 62 days. We're looking at the advancements of \$1,500 or less. We're kind of putting in certain provisions so there are no exorbitant amounts that are lent out and no real short terms where there are great

strains on an individual and their ability to pay back that loan as well.

Again, I think it's certainly an important piece of legislation. I could go on, Madam Speaker, but I do know that the minister will get a chance to elaborate on some of the more details, but certainly something that I'm proud to speak to. I think every time we have an opportunity as government to introduce legislation that's going to protect consumers in our province, we have, not only a responsibility but I think we have an obligation to do so. I think we have an obligation to the taxpayers of our province to do this.

I know the Minister of Business would feel the same way when it comes to the protection of consumers around any other business transactions, and this is certainly no different.

I'm very pleased to see the Minister of Service NL, with the work from the parliamentary secretary, as mentioned, the Member for Lab West, between the two of them and their staff to take on this responsibility. Again, take on this as a responsibility as something that the former administration had every opportunity presented to them to introduce this legislation and did not do so. Here we are again, as I mentioned earlier, picking up an area where we have not only responsibility but an obligation to help the individuals in our province and protect them under this act.

I look forward to hearing some of the comments from the Members opposite as the debate continues. I think we'll probably see co-operation from all sides. I'd certainly be shocked if we did not see co-operation from all sides. It's something that this side has been asking for, for quite some time, and within their first year of government are certainly able to capitalize on that and introduce this legislation. It will be interesting to hear support from the Third Party and our independent member as well.

Again, I just wanted to thank you for the opportunity to speak, Madam Speaker. Thank you to the minister for bringing in this legislation, very timely indeed.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MADAM SPEAKER: The Speaker recognizes the hon. the Member for Conception Bay South.

MR. PETTEN: Thank you, Madam Speaker.

This bill, The Consumer Protection and Business Practices Act, there are a lot of good things in this legislation, as I just heard colleagues opposite and my own colleague from Cape St. Francis discuss it. We all know that's a problem. It has been well reported, a well-documented issue within our society that these payday loans put people in precarious situations. It's an element of our society. People do require and do need these facilities just to survive in a lot of cases. I understand, and it's a necessity to have legislation in place to protect both the lender and the borrower.

A couple of things; I was listening to some speaking there, I wrote down – I wanted to point out. Just one thing in response to the minister and the Member opposite just speaking when they make reference to what the former government never did. That's a fair comment, I guess, because the former government never brought in legislation, but there was a reason for that. It was under section 347 of the *Criminal Code*. It's still there. I understand this legislation is in addition to that, so that's fair.

This is their legislation, the current government's. They've been in government for a year. So if they feel good about their legislation, take pride in it, compliment themselves, but it's kind of growing old that every piece of legislation – I know this might be the communications plan that's going on, but every comment said, you can't blame someone else. Take credit, you have your legislation. If you feel good about it, be happy for yourselves.

We're not the cause of the snowstorm we're getting tomorrow, I'm sorry. I know you'd like to blame us for that too. It kind of grows old and it was a valid reason why this former administration never brought it in. It was documented and the former ministers of SNL gave the rationale. That's for the public to agree or disagree with. There were valid arguments on both sides of the equation. Bringing in this bill, there are a lot of good things in it.

A couple of things that – I don't know if it caused me concern, but I think it's worthy of mentioning. Twenty-one dollars per \$100; I know that it ranges from \$15 to \$25. Alberta is \$15, PEI is \$25. You have to find the average; I guess you do your cross-jurisdictional scan. Twenty-one dollars per \$100 is still a fairly substantial amount. You're looking at a 21 per cent interest rate.

I know there are other pieces of legislation that's going – the limited amount you can borrow for \$1,500. Now, I'm not sure how often that borrowing can happen. I know it's wrote there that they'll put a limit on the borrowing, but will that borrowing be for the 62 days, whatever that's wrote there, or can you go every week and get that? We'll get to that, I'm sure, later on and ask questions.

Twenty-one dollars per \$100 is still a fairly substantial amount of money when you're borrowing. That's \$200 per \$1,000. It does add up. I understand the legislation will give some protection.

I guess another point – and I say it with all due respect to people that use these payday loans and are supporters on both sides of the pros and cons of it. I just wonder where we have this in our *Criminal Code* right now, which was the former government's rationale – I somewhat, as a personal note, it is not really a policy of this Opposition but my personal gut, I wonder how much government need to get involved in people's behaviours.

The fact of the matter is, as good as this legislation may be, and it may be great legislation, a lot of this comes down to personal behaviour, personal circumstances. We all know lots of circumstances where people get in binds, and financial binds are very terrible; there are a lot of sad situations. I guess there is no one here can dispute if people need money they'll go whatever route they can find because if you're in a financial bind, if you can't get it here, you'll try there and we all know how it works.

I understand the logic of the government for introducing this legislation and I'm not saying I'm opposed to this legislation but that's just something that hits me when I read it, that's just something that jumped out at me. It is like, can

we really legislate people's behaviours? That is just something, on a very personal note, that I think that no one here can dispute that this will not be the cure all, but it will offer protection to those people who use these institutions. That part I think is good. I just feel that human behaviour is challenging at the best of times. Obviously you can never eliminate risks, but you do your best to minimize.

As I said, Madam Speaker, it's important for people who need to use the services. They need to be protected. On that issue, I'll acknowledge that is a good thing.

During the briefings I was reading – even officials in the department acknowledge that the \$21 per \$100 is a high interest rate. They acknowledge that it is a high cost of operation in these businesses, their store front costs, their credit checks and the cost of collection. Then we get into the regulations piece. Earlier this week we had a lot of discussion on the procurement legislation and we voted in favour of the procurement legislation, but we asked a lot of questions and I think it's very important to any legislation to be on the record of asking those questions. This is another piece of legislation where the regulations are not there. They're going to come but we don't know what they are.

I know this is not reinventing the wheel. This is not the first time a piece of legislation came through without the regulations being attached, but it's our responsibility to highlight that fact as well because it is another piece of legislation where these regulations will come later. They don't know if they're going to charge \$21 per \$100. That's what they're looking at. That's one example of many more regulations to come.

Again, it's incumbent upon up as the Opposition to bring out some – it's not really flaws. It is concerns. They're issues. It's worth noting. The Minister of Service NL gets all excited. He's over there waving and smiling. I guess it's a good time – maybe he will answer these questions later in Committee.

As I said, Madam Speaker, it's not a matter of really opposing this legislation, but I think there is some level of concern and obligation to bring a lot of these issues out. My colleague for Cape St. Francis mentioned different issues as well.

We know the society we live in, financial situations are very troublesome to a lot of people and when they experience them, it creates a lot of desperation. Offering this protection to protect these people from getting into an unfair or a challenging situation, that part, I really get that. I think that's important, but I don't want to see us creating another level of bureaucracy. When we already have it in the *Criminal Code*, we're bringing our own legislation over existing legislation that will cover for these sorts of things.

I know it hasn't been exercised enough. We hear all the personal stories. We're heard a lot of them. Some people borrow \$600. They have to pay \$1,000 back. We all get that, but it is in the *Criminal Code of Canada*. So now we're bringing in our own legislation to deal with the same issue, and some regulations with it that we'll get later, but the same people who have to abide by the *Criminal Code of Canada* will have to still take this legislation when it comes into effect and enforce it.

It's not like a new set of regulators are going to come in and enforce these rules. They still have to be applied; they still have to be enforced by the same people which are our police force and, obviously, inspectors with Service NL. I'm sure that there are licensing requirements for them to meet certain regulations. In the event that these regulations are abused, for want of a better word or violated, we still flip back to our *Criminal Code* and we flip back to dealing with the RNC or the RCMP to enforce what's already in place.

I agree that some of the stuff in this will offer more protection, but if you have something that's already enshrined in the *Criminal Code of Canada* and you're bringing in another piece of legislation on top of something that's already there, this is sort of my – I mean we stand to be corrected, but it is a fact; it is actually covered. This stuff is covered in the *Criminal Code of Canada*. I suppose some people like to refer – loan sharking was always used in a general term and a lot of people understand that term, but there are protections for people, already, in the *Criminal Code*.

In fairness, it's good to see some regulation, some order and some structure for payday loans. I have no issue with that; I'm just throwing the

caution to the wind. Are we not doing a duplication of services? I do understand, in saying that, that having protections for lenders and borrowers is not a bad thing as long as we see what the regulations are. As long as they're structured in a way that's fair to all people involved, maybe this could work out to be a great piece of legislation.

On that note, Madam Speaker, I will take my seat.

Thank you very much.

MADAM SPEAKER: The Speaker recognizes the hon. Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you very much, Madam Speaker.

Every time we stand to speak to a debate we say we're happy to stand, and we always are. But I want to say that I'm particularly happy today to stand and speak to Bill 52, the consumer protection act dealing with the payday loans.

This is something that we've needed in this House for a long time. I once had a colleague here on this side of the House with me who kept bringing this issue up. I remember well the concern of that colleague. So I think we are doing something really good because we really are doing something to protect consumers, and consumers who are a very vulnerable group of people. Anybody who's going to one of these payday loan companies to get a short-term, high-interest loan is going under stress, is going at a time of great financial difficulty. Yes, it's short term in one way when they go, but in terms of the people who are going for these loans it becomes long term in the sense that it almost becomes a way of life because they get caught up in a web.

I'm sure all of us may have known somebody in our lives to whom this may have happened. I once remember working with somebody who had a pretty good salary but who was caught up in circumstances beyond that person's control. How disturbed I felt when I found out that person had to go to one of these companies in order to get through what was going on in that person's life at that time. I saw that person under

great stress, so I believe this is usually the case of people who are going through these situations. Finally putting legislation in place in this province to bring real protection to them is extremely important. I'm very, very pleased with the legislation.

Obviously, the regulations are going to be very, very important, but the legislation right now, as it stands, I'm very pleased with. I'm pleased with the fact that the language in the agreements will have to be approved by the minister. The forms that are used are going to have to be approved by the minister. That we have the legislation dealing with details that are extremely important in terms of length of time of loans, rollover of loans, et cetera; all of these issues are extremely important.

I have here in my hand a document which was done – I got it, actually, from Global News online. I won't go through all the details, but it's really interesting to see the map that is laid out. Somebody starting with a \$300 payday loan, if they can quickly pay it off, will still end up paying \$135.60 interest and payments on top of that \$300 – another \$135.60. That's if they are not able to do it in the fastest time possible. Even somebody with that \$300 loan who is able to do it in the fastest time possible is paying \$123 on top of the \$300.

Like I said, I'm not going to go through all the details, but that just tells us how difficult it is for people who go for these short-term loans because of the high interest rates. And I think two of the things that are the biggest issues with regard to these interest loans are number one – and what is a big issue for me in terms of our legislation and our regulations – the rate. The rate is going to be so important. What is the interest rate on the payment and then the lack of non-stringent regulations?

The regulations have to be stringent. It's going to be so important because these people are desperate. Our legislation should be there to protect those people, protect people who are desperate and make sure that these payday loan companies are not benefitting beyond what they need.

It's interesting to know what some of them say. I have the argument that one hears quite

frequently as you do the research into this issue – the argument you hear is quite questionable. Payday loan companies argue they need to charge high fees in order for their business model to function. They say the loans they make are just too risky and the chance of default by the debtors is too high.

But it's really interesting, financial agencies that are now starting to give these short-term loans within financial institutions have a different take. One, for example, is the president of First Calgary Financial, which is a financial institution; her name is Shelley Vandenberg. She argues that it doesn't have to be the way that the payday loan companies are saying it is. She says if small-scale loans are less onerous to pay back the default rate won't be as high. It's a chicken-and-egg thing.

Why is it that people aren't paying back in a timely way, why are they in default? It's because the interest rates are so high. So in actual fact, if you have lower interest rates, then you have the possibility of people not defaulting. It's a much higher possibility. There are just so many issues around this. The question of protection is just so important.

I want to talk a bit more about the rates. Some comparisons have been read already out here on the floor of the House. We're talking about possibly \$21 on top of \$100 as the interest charge.

SOME HON. MEMBERS: Oh, oh!

MADAM SPEAKER: Order, please!

I ask Members to keep their conversations to a minimum so the Speaker can hear the hon. Member.

Thank you.

MS. MICHAEL: Thank you very much, Madam Speaker.

Some of my colleagues have said \$21 per \$100 looks okay and that's sort of like an average in the country right now. Well, in actual fact, the most up-to-date figures are showing that several other provinces are going well below \$21. For example, British Columbia in 2017, just one

month away, is going from a 23 per cent interest rate, down to 17 per cent. That's a 6 per cent leap downward from BC, down to 17 per cent. Ontario is at 21 per cent now, but they're going down to 18 per cent in 2017 and down to 15 per cent in 2018.

MR. JOYCE: The interest rate is going down (inaudible).

MS. MICHAEL: The minister is talking to me. I'll be really happy when he stands again to give me correct information because I can't hear the minister when I'm here trying to speak. I'm delighted the minister has further information for me because we don't know yet what the actual figure will be. If the minister has that determined when he stands, I'll be delighted to hear it.

Alberta is down from 23 per cent where they were, down to 15 per cent. Nova Scotia is down from 25 to 22 per cent. Manitoba has always been 17 per cent. So moving downward is a trend right now, Madam Speaker.

I do believe the minister will want it to be as low as it can be. I do believe that. I'm not just saying it, I know that. None of us want to make life harder. We're trying to protect people and make life easier for them.

One of the things that is happening across the country that I think is extremely important is the move to having credit unions involved in the small-scale loans. Provincially, we have no control over the financial institutions. We don't. That's federal law and it's not being dealt with on a federal level. So it's important on a provincial level that we look at what could happen. What has happened in some of the other provinces, as I've just said, is that credit unions have become involved. There is provincial legislation allowing that to happen. The province is working with the credit union network in their province to allow this to happen. I think it's extremely important.

Officials in the briefing said they are going to be doing ongoing consultations with regard to the regulations and with regard to the interest rates. I know that the minister is going to want that to happen and we'll definitely be supporting that happening. They've told us they're going to

consult with the industry itself, with the Canadian payday lenders associations, with consumer groups. They've also said that it will be made public and anyone will be able to put forward to the ministry their concerns. I look forward to that.

I would hope that the consultation will also involve speaking with credit unions because the credit unions, as I've said, across the country are getting involved. In Alberta, for example, they are encouraging alternatives to high-interest payday loans. In Alberta, the First Calgary Financial and Momentum, another financial institution, are expanding their Cash Crunch Loan, previously a pilot project. They are going to be expanding it across the province.

It was to have happened in August – I'm quoting from a Global news article from May 2016. Another financial institution in Alberta, Servus Credit Union, also has an alternative program rolling out. It would be happening at the end of this year.

The interesting thing about credit unions is they are based in the community, they are still tiny compared to the payday loan industry, but they have the ability to give short-term credit. These institutions are really delighted to be able to make that happen in their provinces.

I don't know if the minister or anybody from his department has begun looking at that whole issue of the credit unions in our own province getting involved in this whole thing of short-term loans because that's what they are, they are very short term.

In BC, for example, Vancity credit union which has a wonderful history and a wonderful reputation is involved in this. Linda Morris is the senior vice-president of Vancity and she says: "People's financial well-being depends on access to affordable credit and their ability to understand and use financial information in a way that helps them make good decisions. This has long been a priority for Vancity, which is why we are actively involved in helping people build a better credit history."

I certainly know – I deal with one of our credit unions here in this province and I think they, too, are concerned about helping people with a

better credit history. So I'll be really interested in knowing if discussion has happened with them yet, between the department and our credit unions here in Newfoundland and Labrador.

Also in BC, you have another credit union Central 1. Anna Hardy who's a regional director for Central 1 says, "Central 1 is very pleased that the B.C. government is undertaking a consultation with stakeholders on payday loans and other high-cost alternative financial services. Providing accessible and low-cost financial services for members is at the core of what credit unions do. We are highly supportive of measures and solutions to prevent borrowers from becoming trapped in a cycle of personal debt and look forward to providing our input to government on this important issue."

I would urge the minister that the consultations that are going to go on include the credit unions in our province. Because it is not just enough to have the regulation for payday loans; we are going to be limited with the payday loan companies to how low the interest rates can go. It would be interesting to see with credit unions how much lower they could go with our credit unions if they were involved.

As I said, I urge the minister to ensure that happens here in this province as part of the ongoing process, because this legislation is the first very important step in moving forward with regard to small-scale loans.

We've made mention of Quebec and it's been said that Quebec doesn't have legislation, and they don't, but Quebec is rather a special case. Quebec has very, very tight laws governing financial services, period. Those laws were so tight with regard to the payday loans that, in actual fact, the fact that they chose to limit interest on all loans to 35 per cent annual interest, effectively banned the industry from the province. The industry just couldn't operate there and doesn't operate there.

"However, financial companies are slowly adapting their payday loan programs to Quebec's unique regulations." If they want to be in there, if they want to be in Quebec, then they've got to follow their very stringent regulations. "In accordance to very specific structuring, financial companies can provide

payday loan services” but – and this quote is from Loans Canada. I add they can provide loan services to residents of Quebec but they’re at much lower rates than anywhere else.

Quebec may not have specific legislation with regard to the payday loans per se, it’s their whole package with regard to financial services and how they protect people that make them a place where payday loan companies were not able to operate. I think that’s extremely important.

I only have a couple of minutes left, Madam – oh, excuse me, Mr. Speaker. I didn’t see the change; I was so caught up in speaking. I think it’s extremely important – very, very important – that the legislation covers not just the payday loan companies who have storefronts in our province like Quik Cash, eCash, Money Mart, Tri-Con Cash Services and Ready Cash, it is also covering online.

Online is extremely important. There are many, many companies online. We’ve done a search of some. They have all kinds of different names of course: Crediteck, 310-LOAN, GoDay, Loan Express. There are all kinds of them.

Some of them – I was really shocked to see one which I think is called Focus cash loans. That’s its name. They’re focusing on Newfoundlanders. They’re actually focusing on Newfoundlanders: “Are you looking for Newfoundland loans?” Newfoundlanders and Labradorians – and this is offensive; I am so offended by it – better known as Newfies, use them in their financial situations. “Newfies love the fact that they can get Newfoundland payday loans quite easily ... and no matter where they work.”

I was so offended by this website. So I am delighted to know that our legislation is going to be protecting from online as well. This is an unbelievable, horrible site. I just couldn’t believe it.

Mr. Speaker, I think I’ve made all the main points I wanted to make. Obviously, I am delighted that we are at this point in our Legislature. I’ll be delighted to vote for this bill, and I certainly look forward to the regulations that will be coming forward.

Thank you very much, Mr. Speaker.

MR. SPEAKER (Warr): The hon. the Member for Labrador West.

SOME HON. MEMBERS: Hear, hear!

MR. LETTO: Thank you, Mr. Speaker.

It gives me great pleasure to rise today and speak on this bill, because I think it’s a very important one. As my colleague, the Member for Stephenville – Port au Port and the minister has articulated, I think they’ve explained what we’re trying to do here very well, but I’d just like to make a few comments in response to the Member for Conception Bay South who tried to defend his party’s reasoning for not bringing in payday loans.

Mr. Speaker, this is another example – and we can give lots, we can go back. We had the same situation with the procurement act. So we can give lots of examples of how we’re cleaning up legislation, and this one is long, long overdue.

He mentioned that we should not be trying to regulate behaviours. Well, we’re not regulating behaviours. What we’re regulating here are people who can take advantage of those behaviours. We’re actually protecting the people that find themselves in these situations, and it’s unfortunate when they do. It’s a fact of life, but people who find themselves in this situation, and they have no choice sometimes but to take this route. But they’re being gouged, Mr. Speaker, they’re being gouged. What this legislation is trying to do is trying to put some protection in place to keep that from happening.

Now he also says that, trying to claim the – he felt, I guess, that there wasn’t any need for it. It’s interesting; Hansard is a wonderful thing. The great world of Hansard is a wonderful thing. It records what everybody says in the House. I have in my hand here, going back to 2013-2014 when the Member for Mount Pearl – Southlands, when he was on the Opposition side of the House –

AN HON. MEMBER: What’s he saying?

MR. LETTO: He asked several questions – no, he didn’t say anything. He asked questions on

this particular issue, payday loans. He asked several questions, in fact, and the Member for Waterford Valley at the time also asked questions. These are some of the answers that were given by the government of the day to show they had no intention of bringing in any legislation for payday loans. They had no intention.

This is November 20, 2014, when the Member for Mount Pearl – Southlands – he probably wasn't then, it might have been something different then – when he asked, “What is the current status of payday loan legislation?”

This was November 2014, and the minister at the time, I won't say who it was, “Mr. Speaker, I certainly thank the hon. member across the way for standing up again today” – so this wasn't his first time – “and asking another question to me. Service NL, after significant research and consideration, is studying the regulation of payday loan companies. It is a complicated area with a number of policy considerations. When we are going to be ready to act on it, I will let him know and let this House know as well.”

AN HON. MEMBER: He'll let you know.

MR. LETTO: Well, we're letting him know today that we are acting on it.

SOME HON. MEMBERS: Hear, hear!

MR. LETTO: That's what we're doing.

I'll go to December 9, 2014, when the same Member stood up, “Will you bring forward payday loan legislation to protect consumers, a mandate of your department?”

The answer was, “Service NL, after significant research and consideration, we looked at regulation of payday loans and payday loan companies. It is a complicated area,” – so not much has changed from November 20 to December 9 – “with a number of policy considerations as well. Mr. Speaker, payday loan companies need to comply with section 347 of the Criminal Code of Canada in order to operate in this Province. This section states that it is a

criminal offence to charge more than 60 per cent interest per year. This would amount to a maximum charge of \$2.30 per \$100 for a fourteen-day loan.” So, obviously, they were happy with the federal legislation.

Now, I'm going to give you one more. There are several examples here but I'm going to give you one more which really tells the tale that they had no intention of bringing in this legislation.

We're going back now to December 10 – a year earlier – 2013, when the Member then was Waterford Valley or whatever it was called then. You asked the minister a very direct question, “Why is it that this Province is the only Province in Canada who has not seen fit to protect those who borrow from payday loans?”

“Mr. Speaker, we are comfortable with the federal regulations. If you do look at other provinces, for instance, the lowest rate offered for fourteen-day loans is \$17 for \$100 borrowed.” And so on it goes.

Mr. Speaker, the Member for CBS can say what he likes, that we're over here trying to blame the past administration for not doing what needed to be done. Well, we are doing it because it needs to be done.

SOME HON. MEMBERS: Hear, hear!

MR. LETTO: And regulating payday loans is very important for this administration. We see it as a priority and we will move ahead with this legislation and the act, Bill 52. As the Member also stated, well, we'll see what's in the regulations. Again, they tried to pull the same prank with the procurement act.

That's the normal procedure, you do regulations. Under section 83.11(1) of the act, Bill 52, it says, “The Lieutenant-Governor in Council may make regulations for the purpose of this Part (a) prescribing the maximum total cost of borrowing” And we heard some numbers tossed around.

The average, according to Ernst & Young, is between \$15 and \$25 across the country. So we're looking at a rate of \$21 per \$100. That's

not carved in stone. That's open to consultation. We will consult with the industry, we will consult with the people to see if that is acceptable, but that seems to be the norm.

And (b), "specifying fees, penalties, rates, commissions or charges allowed to be charged by payday lenders for or in relation to a payday loan" And the list goes on.

I can stand up here for a full-time and talk about all of the regulations that are going to be brought in, but I can assure you, Mr. Speaker, the regulations that will be attached to this act and attached to this legislation will protect the consumer. We'll make sure the lenders are complying with the rules and regulations that they should be complying with, which we don't have today. We don't have the regulations in place to be able to regulate and control the industry. We hear too many horror stories of people being gouged and people being taken advantage of. This has to stop.

By the way, the industry wants this. They welcome this legislation because they want to see the industry regulated. They want to be seen as good corporate citizens. They want to be seen as doing the right thing and not taking advantage of people. So these regulations will do that.

Mr. Speaker, I'm very pleased, and so is our government very pleased, to be able to stand here today and say that we are moving ahead with payday loan legislation. Something that this province – the only province in Canada, by the way. Now Quebec doesn't have it but they are bringing in a different type of legislation. But, other than Quebec, we are the only province in Canada that doesn't have –

AN HON. MEMBER: New Brunswick.

MR. LETTO: Well, New Brunswick.

AN HON. MEMBER: Brunswick brought in regulations.

MR. LETTO: They brought in regulations.

We have no regulations. We're depending on the *Criminal Code of Canada* to control this industry, and it's obvious, Mr. Speaker, that over the past number of years the *Criminal Code of*

Canada, unfortunately, has not done what needs to be done in order to regulate and control the industry, and keep people from getting gouged and taken advantage of in an industry where people find themselves sometimes, unfortunately, in vulnerable situations and have no recourse only to go this route.

It's unfortunate that people find themselves in those situations, but it's part of life and it's the reality. All we're trying to do here today is put regulations in place to allow those people to live in dignity and respect and not be taken advantage of.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Chair recognizes the hon. the Member for Mount Pearl – Southlands.

MR. LANE: Thank you, Mr. Chair – or Mr. Speaker, I should say, because you're in the Speaker's chair.

It certainly is a pleasure to stand and speak to this legislation this afternoon. I want to say from the outset – I think I said it when the session began but if I didn't, I'll say it and if I did, I'll say it again – that I'm not here to be obstructionist in any way. I'm really not. I'm here to do the right thing for the people of Newfoundland and Labrador as I'm sure all Members are.

When government brings in legislation that I have a problem with and I have issues with, I'm going to stand up and I'm going to say that. I'm going to present that opposing point of view because I think that's what we're here to do. But by the same token, when government does the right thing, I have no problem standing up in this House of Assembly and acknowledging that they've done a good thing.

So I will start off by saying that they have done a good thing here this afternoon with this piece of legislation.

SOME HON. MEMBERS: Hear, hear!

MR. LANE: I do support it 1,000 per cent, I really do.

By the way, just as I did the procurement legislation – because the Member for Lab West was, I guess, reading out some quotes from *Hansard* where I had called for payday legislation. If he were to do some digging he would have seen as well that I also, in that same capacity as critic for Service NL, was calling upon the government to bring in new procurement legislation. So I'm glad that happened.

I did have concerns about the regulations because the Member did mention regulations. I have fewer concerns about this one, to be honest with you, because it's not quite as complex, there are not as many regulations and it's not necessarily governing the spending of \$3 billion to \$4 billion every year. So, yeah, I had a lot more concerns there than I do this.

I'm sure there will be good regulations brought in. From what I can gather, from briefing notes and so on, they're certainly heading in the right direction. And if they don't bring in good regulations, there's nothing to stop us from raising that concern publicly, which I would do, and I certainly intend to do.

Mr. Speaker, what this legislation is all about – and I'm not going to get into all the details of this particular bill because the minister has, the parliamentary secretary has and Members in the Opposition have. So to simply regurgitate everything they've already said, I don't see a whole lot of point in that, although there's no doubt it happens from time to time.

Really, for me, this is about protecting people. It's about protecting vulnerable people. That's really what it's about; it's protecting the most vulnerable. Quite often, the people that would be availing of these payday loans – and not in all cases, but generally speaking they tend to be vulnerable people, people making lower income, struggling to survive.

Do people make bad decisions? Do people get these payday loans for the wrong reasons? Of course, there's not a system or a program or anything out there where you wouldn't have somebody who would perhaps make a decision they might regret later, or get themselves into a situation that perhaps they shouldn't have and they would admit themselves they wish they

hadn't. But in a lot of cases, people that are availing of these advances on paycheques and stuff like that are people who are really struggling to survive, whether it be to feed their family, or formula and diapers for their babies or whatever the case might be. Nobody really wants to have to go down that road.

Most people, though, that go there, they go there out of desperation. That's the reality. It's unfortunate that we've had a history, not just in this province but in other provinces as well, where somebody has taken advantage. They've taken advantage of those vulnerable people and some of those desperate people, and not just in the original interest rates – and we'll talk about the interest rates in a little while. As we know, it wasn't just the rates; it was all the fees and the penalties.

I know that in the *Criminal Code* we're talking about going beyond 60 per cent interest. I find it absolutely disgusting and appalling that we would have to get up to 60 per cent, to be honest with you. That's absolutely brutal, when you think about it, that someone could charge up to 60 per cent, or beyond 60 per cent before it becomes a criminal matter. That's just unreal.

We know that we had a situation here. I think it was St. John's, if I'm not mistaken, a couple of years ago – it was in the media, it might have been last year, I can't remember now, you lose track of time, within the last couple of years anyway – where there was a company taken to court or they were investigated. They didn't go to court; I think they were investigated by the RNC. The RNC, I believe, recommended charges be laid, but then the Crown at the time said we will not be laying charges because it's not in the public interest.

Now, how it could not be in the public interest is beyond me. I don't really understand all the details of how they came to that conclusion, why they came to that conclusion. Perhaps they felt that for some reason they weren't going to win the case or the cost to prosecute was too high. I'm not sure what the rationale was but they said it wasn't in the public interest.

Obviously, the current system that we have is not working. If you can have somebody investigated by the police for charging more

than 60 per cent and still not end up having their day in court over that, obviously, it's not working. So anything we can do as a province, as a Legislature, to try to improve that situation so that the most vulnerable amongst us are not going to be taken advantage of and gouged and so on, then that's what we need to do.

I believe we have a responsibility to do that. That's what we're doing here today. I certainly hope and encourage – I'm sure all Members on both sides of the House are going to support his bill unanimously. I'm sure they will. With that said, talking about the rates, the Member for Signal Hill – Quidi Vidi or Signal Hill East – Quidi Vidi or –

AN HON. MEMBER: St. John's East – Quidi Vidi.

MR. LANE: There you go, St. John's East – Quidi Vidi. Sorry, I have a job to remember all these new district names. Anyway, we know who we're referring to. She talked about the percentage.

Right now, we're talking about \$21 – or at least we're considering. I shouldn't say it's going to be because the Member for Lab West said it's not set in stone. They're considering \$21 interest per \$100; 21 per cent.

In the briefing notes, in the presentation I have here, it said that the ranges that were looked at, apparently \$21.50 was the average amongst Canadian provinces, what's being charged \$21.50 and that ranged from a low of \$15 per \$100, or 15 per cent in Alberta, to a high of \$25 per \$100, or 25 per cent in PEI. The average was \$21.50 and, of course, they rounded it down to \$21 is what's being considered here.

I would say to the government that I'm glad you're going to be doing consultations and consulting not just with the industry but certainly with the general public and I guess the poverty reduction community or advocates and so on so that we get a balanced and fair assessment from all sides.

Twenty-one percent, to me, still seems high. I will agree with my colleague for Conception Bay South and the Member for St. John's East – Quidi Vidi; it seems high, to me. If they could

do it for 15 per cent in Alberta, then I don't know why we can't do it for 15 per cent in Newfoundland and Labrador. But certainly there's a big difference between 15 per cent and 21 per cent. It's a lot of money, especially for vulnerable people.

Just to put on record, I encourage the government that if we can get that 21 per cent down even lower, then I think we should go there. I really think we should go there, if we can.

The only other thing I want to say about this piece of legislation and I'm probably going to end up in Committee of the Whole asking the minister a question on it – I will, but I will just reference it now at least. So at least the minister is aware of the issue ahead of time.

Section 83.10(1) of the act says: "Where a payday lender fails to comply with a requirement of section ..." – well, there's a whole bunch of sections there. Basically, failing to comply, "the borrower is not liable to pay the payday lender an amount that exceeds the principal of the payday loan."

So in other words, the way I'm reading it here is that if I had a loan of money from a company and based on the legislated interest rates and whatever else is involved, the agreement, and they broke that agreement and there was a complaint made and so on, then the penalty would be that person would not have to pay any interest, they just pay back their principal and that would be it. That's how it reads to me.

Now, it goes on further to say: "The remedies under this section are in addition to another remedy that may" – it doesn't say it is – "be available to the borrower under the common law or under another Part." And I'm not quite sure what all of that means.

So I guess I'll be looking for clarification on that. The point I wanted to make is that it might be fine and dandy to say if a payday loan company breaches an agreement to the detriment of an individual, and somehow this comes to light – and that's another question in itself, which I'm going to reference as well – then the penalty is we're going to waive all the interest and you just pay back the principal.

But if they are doing this – particularly if they are knowingly doing this and they are doing it to numerous individuals, as an example, then to simply say your punishment is if you get caught they don't have to pay you interest – if that's what this means – then I don't think that necessarily goes far enough. I think that if it can be shown that there's a systemic issue where a company is overcharging numerous people and breaking the rules, as obviously a previous company did because they found themselves charged by the RNC – and that was for 60 per cent; they weren't concerned about the *Criminal Code* let alone this piece of legislation which is not even criminal. And maybe it's here and that's why I'll ask the question when we get to Committee of the Whole. I think that there must be a much stiffer penalty; for example, if you're going to be breaching these agreements in a systemic manner, then we're going to simply pull your licence to operate.

I'm assuming they need some kind of licence or something to operate that kind of business in Newfoundland, or permit or whatever it is, and I think that there should be something there that if you're going to be knowingly taking advantage of people and breaching these things, then your punishment is we're shutting down your business as opposed to just this particular individual doesn't have to pay back any interest.

I don't think that goes far enough, and maybe there's somewhere else in here; maybe that's going to be comprehended in the regulations, which are not here. So I don't know if it is or it isn't, but I will put that there as a question when we get to Committee of the Whole.

That's just, like I said, a question, really, and a concern. Beyond that, Mr. Speaker, this is a good piece of legislation. I commend the minister, the government, for bringing it in. It is the right thing to do for the people. As I said, when government does the right thing, I'll be the first one to stand up and support it and say they're doing the right thing. This is good and I support it 100 per cent.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: If the hon. the Minister of Service NL speaks now, he will close the debate.

The Speaker recognizes the hon. the Minister of Service NL.

MR. JOYCE: Thank you, Mr. Speaker.

I won't spend any time because I think it was a very informative discussion here. I thank everybody who spoke on it. There are some questions, I'm sure, that are going to come up.

I'll just answer the question to the Member for Mount Pearl – Southlands. In the legislation now the penalties are already in place. In the legislation the penalty now is if you break the rules every day, the penalty is \$5,000 to \$100,000. Every day is a separate charge. So we already have that in place for it. If it accumulates a certain amount, the person himself has to pay back the amount under the act only.

So if there's a penalty, if someone charges you an extra \$100 or \$200 on it, you don't have to pay that back. The amount plus the percentage after 62 days – what happens is after 62 days, it's declared as a loan over debt. If you get a loan at the bank and if you have a loan, there's a certain period, then you get classified as a bad loan. Once it steps into after 62 days – that's the maximum you can get this money for. After 62 days, it's a bad loan. Once it kicks into a bad loan, then the percentage of 2 per cent, that's all you're allowed to charge. So you can't roll over that \$21, roll it over again. It kicks in to 2 per cent at –

AN HON. MEMBER: (Inaudible.)

MR. JOYCE: What?

AN HON. MEMBER: (Inaudible.)

MR. JOYCE: No, it's 2 per cent, but it doesn't compound. It's 2 per cent per month to go with it. So the maximum of \$162 loan – the maximum that you would end up paying the whole year for \$1,500, is the maximum, is 30 per cent. So they can't take it and compound it.

What we did is we went across Canada and went through it. So I'm just answering some of the questions that were raised. So in Committee –

maybe we'll have to go to Committee because they're the big questions. What are the penalties? The penalties are already in legislation. What happens after 62 days? The maximum you can get this is the 62 days. After that, the 63rd day, it's classified as a bad loan.

The other part of this legislation, and I'll say it here – in committee it may come up, but I'll explain it now – is that if I walk in today and get a loan for \$1,500, there are two things there to protect consumers that's not even near it now. One is that you have your rules in front of you. How many times do we sit down in a bank or any institution and say, okay, what's in the fine print? Under this legislation, you have to read to the person every part of it. He or she has to initial it. It's not that you can say I gave it to you. They have to go through it, they have to initial it. Here are the terms and the agreement; every part has to be initialed.

The second part of this for consumer protection; for example, if you take this loan, you go home to your spouse and says b'y –or the lady goes home to her spouse, brother, sister, mother, whoever and says, how are you going to pay that back? There is 48 hours, two days, you are free where you can bring it back, give back the money, see you later, have a nice day.

Part of that is there's a cooling off period, as we call it. Is that you can go back and say, okay, here's the loan back. I don't want the loan now because I don't think I can pay it back. You can bring it back to the place, 100 per cent in two days, done. That's the two consumer protection parts that we're putting in also.

As I said earlier, when this was brought in back in 2007 by the *Criminal Code of Canada*, everybody across Canada were told then that what you need to do is go back to your own Legislatures and create your laws for this. We have nothing, but this is what we're doing here now.

We saw what happened with a court case with someone charging 60 per cent. We couldn't stop them because it's under the *Criminal Code of Canada* because we didn't have our own regulations and legislation in. Here's what we're doing, we're closing that whole loophole. Also, what we're saying is anybody who feels they've

been wronged; we will step up enforcement on that also.

Right now with the 60 per cent, there is nothing we can do. With these new regulations coming in, and we're after having consultations, we will have more with everybody. We will have an information session on this; an information process on this here. That's what we're doing to bring it in. I know everybody in the Legislature doesn't want the people who are sometimes, our most vulnerable to be taken advantage of. So that is why for this legislation.

We went across Canada. In every jurisdiction we noticed, there's a range I think in PEI of \$15; out West I think it's \$27.

The Member for Signal Hill – Quidi Vidi, that's what I was asking her. I didn't mean to interrupt. What I was asking, she's saying it's down 15 per cent. That's what she was saying, but 15 per cent from \$27 is still higher than what Newfoundland is charging; 15 per cent is what – \$2.70 is what, \$4? So it's still down to \$23. I'm just assuming she was using BC at \$27 and she was using a percentage. So it's still higher than what we'll be charging. I hope that answers a lot of the questions.

I close debate on second reading. Sorry about that, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Is the House ready for the question?

The motion is that Bill 52 be now read a second time.

Is it the pleasure of the House to adopt the motion?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

Carried.

CLERK: A bill, An Act To Amend The Consumer Protection And Business Practices Act. (Bill 52)

MR. SPEAKER: Bill 52 has now been read a second time. When shall the said bill be referred to a Committee of the Whole House?

MS. COADY: Now.

MR. SPEAKER: Now.

On motion, a bill “An Act To Amend The Consumer Protection And Business Practices Act,” read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 52)

MR. SPEAKER: The hon. the Minister of Natural Resources.

MS. COADY: Thank you, Mr. Speaker.

I move, seconded by the Minister of Municipal Affairs, that the House resolve itself into a Committee of the Whole to consider Bill 52.

Thank you.

MR. SPEAKER: The motion is that the House resolve itself into a Committee of the Whole to consider Bill 52.

All those in favour, ‘aye.’

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, ‘nay.’

Carried.

On motion, that the House resolve itself into a Committee of the Whole, the Speaker left the Chair.

Committee of the Whole

CHAIR (Dempster): We are now considering Bill 52, An Act To Amend The Consumer Protection And Business Practices Act.

A bill, “An Act To Amend The Consumer Protection And Business Practices Act.” (Bill 52)

CLERK: Clause 1.

CHAIR: Shall clause 1 carry?

The Chair recognizes the hon. Member for Cape St. Francis.

MR. K. PARSONS: That you very much, Madam Chair.

Just a couple questions, Minister. On this loan, we’re not only talking about storefront, we’re talking about online. My question is: How are you planning on regulating the online services that are out there today? Because they could be from other parts of the country or they could be anywhere at all, so how do you regulate the online ones?

CHAIR: The hon. the Minister of Municipal Affairs.

MR. JOYCE: Thank you, Madam Chair.

That is a very good question because it’s a tough question to answer. If they’re within their realm – I guess when you look at it within the law of Newfoundland it’s easy. The law of Canada, we can work with other law enforcement agencies and other departments. The big part about that is when something is in the Cayman Islands. Cayman Islands is extremely difficult.

So the part of that, as I mentioned earlier, was the education program, that there are laws. If you’re going to operate in Newfoundland and Labrador, there are laws. If there’s any way we can help out under this act, we will.

We’re going to be stating that if you’re dealing with someone on the offshore; it’s very hard if you’re being wronged. There’s actually no way if someone is in the Cayman Islands – there are some people you can track down, some companies. I’ll just use the Cayman Islands, it could be other places. If someone is offshore it’s extremely difficult. So, as we said, there would be an education process to that.

You’re correct, that it’s extremely difficult. But if anybody has any concerns about that, that if we can put out advisories – we welcome it and we will do what we can to protect them; a great question.

CHAIR: The hon. Member for Cape St. Francis.

MR. K. PARSONS: I thank the minister for his answer. Minister, my question is more in line with if I got in online, say, in Nova Scotia or Ontario or another part of Canada, is there any way to understand what – how are we going to regulate what a business does. I know there are regulations in that province but there are no regulations, say, in like the province of Quebec.

Is there a registry? Is there something that we'll have with other provinces so we know that in those provinces what business – because sometimes this can be done illegally and there's no registration of a company. You go online and you can get the loan, but it will still open it up to people being charged rates that are enormous.

CHAIR: The Minister of Service NL.

MR. JOYCE: What it is, if they're operating illegally, it's pretty difficult for any of us to do – if there's someone in, I'll use Canada, I think nine out of 10 provinces have this brought in now. I think Quebec – you're correct on that. So there is a way for our agencies also to contact provincial agencies and say we have a concern here and we're looking at the strength, what they can do.

With the provinces – and with their help with each province, it happens all the time on numerous issues. If there's a province regulating here we can put a stop that you cannot operate in Newfoundland and Labrador. If they go on another site or another way illegally, this is a part of it. But if we become aware of it, we will write the company and write the province that the company is in. We would not let them operate in Newfoundland and Labrador.

The other thing about that is this is part of the education program. We have to inform people that you have to make some decisions yourself. Sometimes you're at a low point and sometimes you need the cash quick and it might get you into bigger trouble. So this is part of the process also, they're online as we speak. So this is the idea that if you're going to do business in Newfoundland and Labrador, if we can track you down, then fines will be imposed and we will do what we can to enforce the law.

CHAIR: The Member for Ferryland.

MR. HUTCHINGS: Thank you, Madam Chair.

A follow-up on that point from my colleague: Is there any jurisdiction in Canada that has a method to monitor and control online solicitors who provide this service? Does it exist today?

CHAIR: The Minister of Service NL.

MR. JOYCE: No. To the best of my knowledge there's not, but we're in contact with each province. Under the act we're in contact with them, but from the best of my knowledge there's no central database that you can go to and check to see who's a good payday loan lender or a bad one. I'll check it out but to the best of my knowledge there's not. Each province is on their own.

CHAIR: The Member for Ferryland.

MR. HUTCHINGS: I thank the minister for that explanation. Very similar to online gambling, it's very hard to regulate it. It's not regulated so this is very similar as well.

Could you give me a comment in regard to lenders who contravene the act? Would that be a role of Service NL, then, to engage the police force? How would that work when that's identified?

CHAIR: The hon. the Minister of Service NL.

MR. JOYCE: It's the *Consumer Protection and Business Practices Act*. What happens then, once we identify somebody and we have information that they are breaking the law, we would go to the constabulary or RCMP on that. As the case happened back years ago when 60 per cent – I think it was the RNC that did the investigation. So it would be pushed on to the RNC to do the investigation and lay the charges, but it's up to us. Once we're noted to do the preliminary work, then we just pass it off.

CHAIR: The hon. the Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you very much, Madam Chair.

First of all, I want to thank the minister for when you ended the second reading. I was listening and I did hear what you said. Thank you for that.

I just want to ask another question about the online. You may have said this. If you did, I ask you to bear with me. If somebody is registered in Newfoundland, of course, there's a fee, the licensing fee.

This horrible site that I quoted, which I have here in my hand, how would you deal with that? You can't deal with the fact that it's a horrible site, but in terms of a site like this, who are they licensed by and how do you get at them?

CHAIR: The Minister of Service NL.

MR. JOYCE: As I explained, online it is consumer beware. We mentioned earlier – I used the example of the Cayman Islands. If someone sets up in the Cayman Islands, puts it on a website, there's no protection actually. It's extremely difficult.

What we're saying, though, if any consumer is wrong, contact us. We would do an investigation. If it's within our jurisdiction, within Canada or anywhere else, and we feel we can enforce the regulations operating in Newfoundland and Labrador, we will. But again, as I mentioned earlier, this is part of the education program for people. Go with the companies that you know, if they're in Newfoundland or if they're somewhere that's established. If it's outside the jurisdiction, there's not a lot we can do. It's just as well to be honest, upfront and forthright with people.

Anything in Newfoundland, anywhere even in Canada, we can start an investigation. If it's a site like you mentioned, there's not a lot we can do – absolutely not a lot we can do. We can stand here and say, yes, we're going to go after it, but it would be wasting everyone's time and resources. This is the education program that we need for people. Beware of where you're going to get the lending.

CHAIR: The hon. Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you, Madam Chair.

Minister, do you know how successful – because I know you've been communicating with the other provinces – they've been in getting at online ones if they've had complaints? What their success rate has been with other provinces, trying to get at them?

CHAIR: The hon. Minister of Service NL.

MR. JOYCE: It's the same as we're experiencing here. It's very difficult – very, very difficult.

Of course the problem with it is that some you don't even know who they are, they set up a company. It's extremely difficult.

What we found with the storefront ones, the ones operating in the provinces, the legitimate ones do well. The ones that are fly by night, a lot close but they're the ones you have the issues with. The problems that we found are the ones that you feel – that other provinces feel that we're charging the 600 per cent and, now, 60 per cent, now all of a sudden they feel, with the regulations in, they move on.

The legitimate ones who follow the rules in most provinces – there are some shut down, but there are a lot of legitimate ones open that follow the rules. That's what we found when we went across Canada. We found out there are some still, no problem with it whatsoever because they're legitimate and following the rules.

CHAIR: The hon. Member for Ferryland.

MR. HUTCHINGS: Thank you, Madam Chair.

Minister, just getting back to the issue of contravention of the act by lenders; how is the oversight or framework for that to work? Does that mean there'll be additional human resources with Service Newfoundland and Labrador to investigate those that have the storefront, or on reports of those that are existing illegally in the province? What's the oversight for that?

CHAIR: The hon. the Minister of Service NL.

MR. JOYCE: There'll be no additional resources because the department is in place now and the officials are in place now doing a great job.

What it is, there's usually a complaint. If there are payday lenders in the Province of Newfoundland and Labrador, unless someone complains – and the Auditor General may somehow ask some questions about it. But, right now, they have to do their reports.

Unless we get a complaint or a concern raised somehow to raise our eyebrows, we will not be going in every year and saying let's see your books. The banks and institutions have laws to live by and we're assuming they will. If we feel they're not or we find out they're not, and we feel that there are concerns, we will definitely do an investigation as soon as possible.

CHAIR: The hon. Member for Ferryland.

MR. HUTCHINGS: Okay, I just have a final question for the minister – two actually. Is there any correlation between this piece of legislation and the bankruptcy act? The second one is did you – and you may have said this already – have consultation with the Privacy Commissioner on this piece of legislation?

CHAIR: The hon. Minister of Service NL.

MR. JOYCE: There's no correlation with the bankruptcy act. Every piece of legislation that comes to this House of Assembly gets vetted. And it did get vetted through the Privacy Commissioner. We vet it through all arms of government. All of this was vetted through.

CHAIR: The hon. Member for Cape St. Francis.

MR. K. PARSONS: Minister, it's a good act and it's a good piece of legislation. Just a couple of little questions I have to ask you here.

Minister, a lot of times with payday loans – I'm just wondering about the future regulations. There are so many different companies out there that offer the service. Will there be anything in the regulations that can limit a person to the number of loans that they get? That's where a person really gets in trouble.

CHAIR: The hon. Minister of Service NL.

MR. JOYCE: That's a good question.

There's no registered database for it, say if there are 10 companies set up, that you can go to this one and you can't go to this one. But if you go to one lender, you can't get a second loan until that loan is paid off.

If someone wants to get a loan here, and if there's another one out in Corner Brook, there is no database to say that they already got one here. That's up to the lenders themselves to do their own research. But with the lender itself, if you get a loan, it has to be paid off before they can give you a second loan. That's going to be in the legislation and part of the regulations.

CHAIR: The hon. Member for Cape St. Francis.

MR. K. PARSONS: Last question. Mr. Minister, on this here you're talking some consultations. Any idea when your consultations will begin and when you're planning on bringing in the legislation?

CHAIR: The hon. Minister of Service NL.

MR. JOYCE: There were previous consultations. Going back a number of years there were consultations. What we're going to do now, once this is approved, we're going to start consultations with a lot of lenders and other institutions that may have issues with some people with their borrowing or some issues if they get themselves in too much debt. So we will have a consultation. Part of the consultation is going to be the fee for the lender to be set up. That's not established yet. That's why we're going to have consultations with the lenders.

When you go across Canada some are high for lenders to be set up and some are low. So those are the consultations that we're going to have to establish a fee. You don't want to run them out of business because they're here and some people may need them. You don't want to put it too harsh where they just have to go because someone is going to get the money anyway. So it's just as well to regulate it.

We're definitely not promoting payday lending. We're definitely not supporting that – we're definitely not. But we know it's happening so it's just as well to regulate it to protect the consumer as best we can.

CHAIR: The hon. Member for Mount Pearl – Southlands.

MR. LANE: Yes, a question for the minister. I'm wondering once the legislation comes into force, were there any thoughts about whether it would be retroactive? In other words, if somebody already has a loan agreement in place and they're paying exorbitant rates, will they still have to continue until next date, until they get a new loan? Or will that loan then fall under the new rules?

CHAIR: The hon. Minister of Service NL.

MR. JOYCE: In the bill itself there's no retroactivity. Once the bill gets Royal Assent, that's the date the bill will take over. There's nothing in it because it's very difficult; once you sign an agreement with somebody, to go back and say, oh well, by the way, here's what we're doing.

So there's nothing in the bill. We have no intent of doing that. We're going to get this done as quickly as possible. We're going to have the consultations, as the Member for Cape St. Francis mentioned. We're going to have the consultations as quick as we can once this passes through, get the Royal Assent.

CHAIR: The hon. Member for Mount Pearl – Southlands.

MR. LANE: Yes, another question for the minister. I'm wondering if there's been any thought given to – because the minister did speak of education. I agree with him 100 per cent, education is going to be critical to all this. I was wondering if there was ever any thought given to perhaps – in order to educate people who are getting these loans, that there would be something in place whereby if I got a payday loan, maybe there could be a little information sheet that the government would have on the rules that the payday loan company would be forced to attach to the loan so that they're educating the consumer, so to speak.

CHAIR: The hon. Minister of Service NL.

MR. JOYCE: Part of the agreement and part of the regulations that are going to be brought in is that that's going to be included. When you get

the loan, all of that is going to be spelt out. Not only is it going to be spelt out – and we all know the fine print – every part of that, the person who's getting the loan has to initial it. That's going to be part of it. So if you go in and you say well, I didn't see that fine print; you have to initial it. So to ensure that, here are the rates we're going to charge you, initial it. Here's the amount of time, initial it. That's the consumer protection part that we're putting in there. We went across Canada and that's the best practice that we can say. No one can stand up and say, well, we didn't know this. It is there.

When the person looks at it and says, oh, geez, that's pretty high; they have the 48 hours, two days, from the time that they – except for the weekends. If you get it on a Friday, the weekends don't count so you can come back Monday or Tuesday. They have to initial it. It's going to be right on their applications the amount that they are allowed to charge, the maximum amount.

CHAIR: The hon. the Member for Mount Pearl – Southlands.

MR. LANE: I have one last question, I suppose, or comment, whatever you want to call it. The Member for Ferryland did ask a question. I was going to ask about oversight. I understand the minister said there is no additional resources and there wouldn't be a requirement, per se, for every year for a company to be audited or whatever, but I'm just wondering: Has there been any consideration given to perhaps doing like a random audit every now and then? Not that you would be audited every year, but a random audit. Because some of the people who might be availing of these payday loans, like I said, they're most vulnerable and maybe they're being taken advantage of and they don't even realize, to some degree, that they are being taken advantage of in all cases.

I'm just wondering: Would there be any kind of a random audit at all to make sure?

CHAIR: The hon. the Minister of Service NL.

MR. JOYCE: The staff itself at consumer protection over in the department, what happens is they have the ability to go in and audit at any time they feel there's a concern. They may not

do it random, but they have that ability to go in. That's already part of it; they do it now with any other group that they deal with.

So there is that right for them to do that. There is that possibility for them to do it. Plus if there are any concerns brought to their attention, they will do an investigation, as we seen in several other incidents in the province.

Just for the record, we're going to go out and consult now and anything that we can add to make this strengthened is going to be added. This is not something we're promoting. It is not something we're saying to people go use; we're not saying that. Please God, people won't have to use it. But if someone does, we have to put in protection.

Someone may come back and say, well, you could do this, you could that. Well, fine, we're open to any regulation that is going to protect this. But when we went across Canada, this is the best information that we said would fit Newfoundland and Labrador.

CHAIR: All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, clause 1 carried.

CLERK: Clauses 2 through 10 inclusive.

CHAIR: Shall clauses 2 through 10 inclusive carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, clauses 2 through 10 carried.

CLERK: Be it enacted by the Lieutenant-Governor and House of Assembly in Legislative session convened, as follows.

CHAIR: Shall the enacting clause carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, enacting clause carried.

CLERK: An Act To Amend The Consumer Protection And Business Practices Act.

CHAIR: Shall the title carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, title carried.

CHAIR: Shall I report Bill 52 carried without amendment?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried

Motion, that the Committee report having passed the bill without amendment, carried.

CHAIR: The hon. the Deputy Government House Leader.

MS. COADY: Thank you, Madam Chair.

I move that we rise to report the bill.

CHAIR: The motion is that the Committee rise and report Bill 52 passed without amendment.

Shall the motion carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

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

MR. SPEAKER (Osborne): The hon. the Deputy Speaker.

MS. DEMPSTER: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have asked that I report Bill 52 carried without amendment.

MR. SPEAKER: The Chair of the Committee of the Whole reports that the Committee have considered the matters to them referred and have directed her to report Bill 52 carried without amendment.

When shall the report be received?

MS. COADY: Now.

MR. SPEAKER: Now.

When shall the said bill be read a third time?

MS. COADY: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, report received and adopted. Bill ordered read a third time on tomorrow.

MR. SPEAKER: The hon. the Minister of Natural Resources.

MS. COADY: Thank you, Mr. Speaker.

Mr. Speaker, I call Order 3, second reading of Bill 51.

MR. SPEAKER: The hon. the Minister of Municipal Affairs.

MR. JOYCE: Thank you, Mr. Speaker.

I'm just going to stand here to speak on the bill to amend the *Emergency 911 Act, the*

Emergency Services Act and the *Fire Protection Services Act*. This bill made amendments to reflect the fact that Fire and Emergency Services- Newfoundland and Labrador is no longer an agency –

MR. SPEAKER: Order, please!

I'm wondering if the minister wanted to move and second the bill.

MR. JOYCE: Oh, I move that Bill 51, seconded by the Member for Lab West – sorry, Mr. Speaker.

MR. SPEAKER: It is moved and seconded that Bill 51 be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Emergency 911 Act, The Emergency Services Act And The Fire Protection Services Act." (Bill 51)

MR. SPEAKER: The hon. the Minister of Municipal Affairs.

MR. JOYCE: Mr. Speaker, such good news, it is hard to control it.

The bill has amendments to reflect the fact that Fire and Emergency Services-Newfoundland and Labrador is no longer an agency and is now a part of the Department of Municipal Affairs.

On August 17, 2016, Fire and Emergency Services joined the Department of Municipal Affairs. As a result, three pieces of legislation required updating; essentially referring to agencies and CEOs or chief executive officers found within the three acts have been removed.

Fire and Emergency Services is one of the several broad prescribed responsibilities that fall within the jurisdiction of municipalities and local service districts such as water, waste water and water collection, for example. Bringing Fire and Emergency Services into MA provides an opportunity to streamline the administration of FES programs and services with a single department that is primarily responsible for supporting municipalities and local governments. FES will retain its name as stakeholders, partners and clients are familiar with the services established under FES.

FES is now with the Fire, Emergency and Corporate Services Branch. This new structure focuses on several – related to financial support and assistance for emergencies and management and fire protection. This move provides an opportunity for staff within the department, including FES staff, to work even closer together and coordinate efforts that benefit all municipalities.

Mr. Speaker, I'll just speak very briefly because I'm sure everybody in here agrees with this move. I know everybody in here in the Legislature knows it now, but for anybody who thinks that this is a downgrade for Fire and Emergency Services, absolutely not. If anybody in this Legislature or anybody out there who feels it's not, look at Hurricane Mathew, how quick we responded, the Fire and Emergency Services.

Just on the Fire and Emergency Services, I want to take this opportunity to thank everybody over at Fire and Emergency Services. They did a great job, all the municipalities who helped out, the police who helped out, a lot of local fire departments, first responders, a lot of town councils. I just want to thank everybody.

The whole idea is to bring them under because Municipal Affairs deals with every municipality in Newfoundland and Labrador. Fire and Emergency Services is just a branch of that with us. Fire departments, they deal with every fire department in the Province of Newfoundland and Labrador. They deal with them, so we're bringing them in now to have more resources.

The other thing that I'll close on, just on this, Mr. Speaker, this is very important. Fire and Emergency Services is going to be a branch of Municipal Affairs. They will have their own pot of money. There were some concerns brought up that they're going to lose some of the money, absolutely not true – not true. They will have their money, can be transferred over; it is just a branch of that department.

MNL are very positive on this move because part of what's going to serve every municipality in the Province of Newfoundland and Labrador, you're bringing it in so the service is easier to coordinate, and that's a big part.

If anybody in this Legislature wants to wonder if Fire and Emergency Service was either bit downgraded, look at Hurricane Mathew. When speak to the Insurance Bureau of Canada, we were up and running and had a declaration; we had applications out, people putting requests in before other provinces even got started. That's the work that Fire and Emergency Services did and all the staff.

In no way is this a downgrade. There's no way that they're going to lose any importance in this department, but it brings all the resources together. All the MNL, all the municipalities I spoke to are in support of this. This has been a very smooth transition and I just wanted to thank everyone at Fire and Emergency Services for the hard work and dedication.

For example, Derek Simmons, the fire commissioner, everybody knows that he deals with every municipality in this province. If anybody is looking for any type of equipment, we had to deal with them. Now they're with Municipal Affairs, so it's a closer bond with all the municipalities and it's a larger pool of resources.

This is by no way a downgrade. This is actually an improvement of services to bring everybody together. We coordinate the programs but again this is a standalone – this will not be downgraded one bit. I think if you went out to the Firefighters Association who Fire and Emergency Services deal with, you can ask them do they feel that they've been neglected by this government with this move and I think they're pleased with it actually.

I'm sure everybody is going to be supportive of this bill. I just want to thank everybody in advance for this because this is a great move again. This is just part of consolidation, bringing everybody together.

I may not be here for the closing of it, Mr. Speaker. I'll be here for third reading, for sure, but I know everybody is going to support this bill. Once again, as usual, thanks to everybody for their support.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Cape St. Francis.

MR. K. PARSONS: Thank you very much, Mr. Speaker.

I noticed the minister got up and he sped through the bill. I don't know how many bills he's after bringing through, but it's hard to be his critic because I'm up all the time too speaking on his bills.

This bill, in particular, I have to say is a good bill and I have no problem with it. Anytime that we can do anything – when disasters happen in Newfoundland and Labrador, it doesn't make any difference which side of the House we're on because we're all together to make sure the people stay safe and anything that people can do to help one another that's who we are as Newfoundlanders and Labradorians. That's why I think we're very proud to live here because we always take that in place, that we'll take care of our neighbours and make sure that we that we do.

And an interesting thing, the minister spoke about Hurricane Matthew and in municipalities in Newfoundland and Labrador it's important that – we brought in a few years ago, we've learned through many Igors and everything else over the years. We brought in that municipalities would have to have emergency response in the communities. And I asked a question over in the briefing of how many communities haven't got emergency response and I was astounded by the answer. I thought they said nine, and that counted local service districts and whatnot.

Now, there are a lot of municipalities that don't have it completed, and that's important. But I'll just say to municipality leaders out there – I asked another question in the briefing; I wanted to know how many people came out and needed Fire and Emergency Services, actual individuals that called Fire and Emergency Services during Matthew, and another astounding answer I got was: none.

And during Igor there were so many. But the reason why: Because municipalities in the province are doing their work and they're making sure that they got their fire departments and anybody in the town that they need to call

on. So I say to the minister that people in Fire and Emergency Services have done a fantastic job over the last number of years ensuring that we're protected, ensuring that if the Igors and the Matthews come through that people know who to respond to, and the towns and municipalities know where to go.

This act that we're doing here today, basically we're looking at the *Emergency 911 Act*, and we're looking at the *Emergency Services Act* and *Fire Protection Services Act*. Basically, when we move it to the Department of Municipal Affairs, as the minister said, we have some wording to change as the CEO will be now the minister, and the agency is basically the department.

So that's basically the only changes that we're making in the bill. Again, there's so much that I can say about people that go out and help in communities, especially when you see some of these disasters. The last time with Matthew, you see some of the flooding and people trying to get across rivers and stuff like this. It's amazing that people's lives are not lost and it's due to the fact that we have a good plan in place and a plan is so important. A plan for a community is so important.

As a former municipal leader myself, we started ours when I was there. I think the town has it completed now. It can go from a plan to having an area where people can go, get a cup of hot chocolate, they know who to call and they know that there's a person in the town that will take care of this. I just emphasize to most of the towns, who have their plans already started, to get their plans in place. We have great people at Fire and Emergency Services, and they do fantastic jobs.

As the minister said, I asked a question over at the briefing too because sometimes municipalities would be concerned. As you know, under Fire and Emergency Services there were a lot of things they could offer to towns. I've been an MHA here for a while and I had municipalities apply for grants for breathing apparatuses and pumps and stuff like that. So that's not going to change.

It will still be done under Municipal Affairs and it will still be done as a separate grant. It won't

be like a grant that you have to go through Municipal Affairs for MOUs and stuff like this for your operating stuff. This is going to be done separately. So just to let the towns know that your fire departments will still be able to apply for their bunker suits because that fund will still be put in place for them. That's important.

That was a concern I had, the major concern I had with the bill, was that if we're going to move it to Municipal Affairs, these grants that our volunteer firefighters, who I have the utmost respect and praise for because of the job they do. They're volunteers. They put their lives on the line for people in their communities.

So the grants they apply for and they get – our government did a fantastic job, an unbelievable job actually. We make sure that we have people out there who do this service for our residents. Government did the same thing this time with their budget. With the many budget cuts that came down, I don't think there was much cut in fire, and maybe none. I'm not sure. I don't think it was cut too much at all.

I know the Torbay Volunteer Fire Department in my area seen some bunker suits this year and some breathing apparatuses, just like they've done in the past. It's so important that we make sure – if these people are out doing their job that they have the equipment and have the protection, whether it's a bunker suit or breathing apparatus or anything they have, that they have the best to be able to do it.

That was an important thing. I was a little bit fearful that if it moved over with Municipal Affairs they would be included in all other grants, but they're not going to be. So that's a real good thing.

Again, hats off to the people in the province who, when we're in disaster mode they're the people who step forward and takes care of everybody.

I think it's not a bad piece of legislation. I think as long as grants and everything stays in place and we support the people who protect us, I think it's a good piece of legislation.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Labrador West.

MR. LETTO: Thank you, Mr. Speaker.

It's a pleasure to rise again today and speak on Bill 51. As the Member for Cape St. Francis alluded to, yes, we do have a lot of bills. We're bringing in a lot of bills and that's a good thing. I would venture to say they're good bills and they needed to be brought in. We're very pleased to be able to do that.

I'm not going to be very long. I think it's obvious that this is a natural fit for Fire and Emergency Services. I just want to say there are three acts that are actually affected by this. It's not only the *Fire Protection Services Act*, but it's also the *Emergency 911 Act* and *Emergency Services Act* as well.

What it does, it essentially references to agency where it is now. CEO or Chief Executive Officer found within the three acts, has all been removed. One could say it's some housekeeping, but I think it's a little more than that, because I think it's an improvement for our Fire and Emergency Services and all the services that are being provided by that division.

Bringing Fire and Emergency Services into the fold of Municipal Affairs is a natural. As the Member for Cape St. Francis also alluded to, it's the municipalities who have developed their emergency preparedness plans, and most of them have, of which fire protection and emergency services is obviously the biggest part of that. Again, fire departments work very, very closely with municipalities right across this province. It's a natural fit, Mr. Speaker.

I guess rather than drag this debate out, I'll only say, as the minister has stated, I want to thank the work that has been done within Fire and Emergency Services and will continue to be done. I can assure the people of this province, as the minister has, that this was not a downgrade of service. In fact, it's a consolidation more so than anything. It's a move that will improve services and allow better flow within the Department of Municipal Affairs.

It's a good thing we're doing here today, and we know that the funding, as the minister has stated as well, that the funding will remain in place for Fire and Emergency Services. We will continue to provide that very, very important service to the people of this province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you very much, Mr. Speaker.

I'm glad to have an opportunity to stand and speak to Bill 51, An Act To Amend The Emergency 911 Act, The Emergency Services Act And The Fire Protection Services Act. That sounds like there's a lot of change, but in actual fact the amendments to the acts, as have been pointed out, are really changes in language because of what has occurred.

I will be supporting the bill. I really don't have any questions about it. I do see the benefit of bringing Fire and Emergency Services NL into the Department of Municipal Affairs. I think it's quite logical, and I do know the support is there for this decision from the municipalities as individuals, and the local service districts as individuals, as well as with Municipalities NL. There seems to have been good communication all around with regard to this decision, and I'm glad to see that.

As I said, the streamlining by bringing FES into Municipal Affairs means that names have changed, there have been language changes. All of that means that three acts that are affected have to have amendments to them. For anybody watching, these amendments are not substantial. They're just language changes to reflect where the FES-NL now is.

I really like the fact that the name FES-NL is not changing. I think maintaining the brand is extremely important so they'll be no confusion in people's minds in emergency times as well. I'm sure that was part of the reason. That's how people know our Fire and Emergency Services is through that name. So this removes any

confusion by maintaining the name even though the service is inside of Municipal Affairs. I totally support that. I think it was a very, very good decision.

I would like to know, and the minister can respond to this: What was the loss of staff because of this change? I think it was 2 people who were let go because of this change. I guess I'd like to know: Will there be any more loss to staff or is that all that will happen? I think that is the only question I have. I look forward to the answer to that.

Otherwise, this bill is absolutely essential because of the move that has been made of FES-NL into Municipal Affairs. I think that's a good move and I support the bill.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. the Member for Harbour Grace – Port de Grave.

MS. P. PARSONS: Thank you, Mr. Speaker.

It's certainly a privilege and an honour to stand and speak to the amendments of the *Emergency 911 Act*, the *Emergency Services Act* and the *Fire Protection Services Act*.

To answer my hon. colleague, the only staff loss there, there were no staff, just the deputy minister and the ADM. That's what we understand in fact.

It is indeed a pleasure to speak to this. I would like to highlight – actually, there are a couple of points and highlights that I would like to elaborate on. As we know, FES is now with the Fire, Emergency and Corporate Services Branch. This new structure will focus services related to financial support and assistance from emergency management and fire protection services.

Also, another highlight is this move provides an opportunity for staff within the department, including FES staff, to work even closer together and coordinate efforts that benefit all municipalities, local service districts and their residents. I think this is the key word here: municipalities, local service districts and residents.

As we know, many of our first responders and our volunteer firefighters are volunteers within our municipalities. With this process it will enable communication to flow that much easier of course, and allow the process to get off the ground quickly, as the minister elaborated on, with the hurricanes and whatnot.

I also can relate back to times when I was reporting on hurricanes such as Igor and Chantal. I remember Placentia in particular, the damage that was suffered across the province. It is important, of course. For example, mayors and councillors; they know what our volunteer firefighters and first responders will need.

I can speak to this myself. I've met with the provincial fire commissioner, with the mayor of Upper Island Cove, a town in my district, along with the fire chief and a town councillor who is also a volunteer firefighter. Again, it really brings us in; it's an opportunity to express what's needed. These volunteer firefighters deserve the best. Those are the people who come out. When we seek shelter from danger and fire, it's those volunteers that go out there and do that work.

Also, it enables municipalities to work closely together. I can talk about a time – and I'll use the example of the incident with Spaniard's Bay, as we know in this past year, with the volunteer fire department there. Well, because of that close relationship within the municipalities, Upper Island Cove was able to step up, as was the Town of Bay Roberts and their volunteer firefighters, to come together. So again, I look forward to the co-operation of all Members on this. This is certainly a no-brainer.

With that, Mr. Speaker, I will take my seat. I, again, look forward to this co-operation.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for the District of Mount Pearl – Southlands.

MR. LANE: Thank you, Mr. Speaker.

I'm only going to take a couple of moments. I'm glad to stand once again and speak to An Act to

Amend the Emergency 911 Act, the Emergency Services Act and the Fire Protection Services Act.

As has been said, this is really just a housekeeping bill. I'm not suggesting that the movement of Fire and Emergency Services to the department of municipalities – my God, I'm tongue tied.

SOME HON. MEMBERS: Municipal Affairs.

MR. LANE: Municipal Affairs. Geez, it must be getting late in the evening.

Anyway, the movement of Fire and Emergency Services to Municipal Affairs, I think that's a good move. It makes sense. I was kind of surprised, to be honest with you, that Fire and Emergency Services wasn't part of Municipal Affairs all along. I don't know if it ever was before, but it makes all the sense in the world to have it there as far as I'm concerned. Really, what we're seeing here is just amending the three acts, as I already mentioned, just to change the language around it to reflect the fact that Fire and Emergency Services is part of Municipal Affairs now, where again, in my view, it always should have been anyway.

So obviously I'm going to support the bill. And as other Members have said, I do thank all the volunteer fire departments and professional firefighters out there as well, for all the great work that they do. Anything we can do to strengthen legislation and the way we do things to make it better for them and better for the communities for which they served, I'm sure everybody in this House of Assembly is here to do just that.

With that said, I'll take my seat. I will be supporting the bill.

Thank you.

MR. SPEAKER: Seeing no further speakers, is the House ready for the question?

The motion is that the bill be now read a second time.

Is it the pleasure of the House to adopt the motion?

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

CLERK: A bill, An Act To Amend The Emergency 911 Act, The Emergency Services Act And The Fire Protection Services Act. (Bill 51)

MR. SPEAKER: Bill 51 has now been read a second time. When shall the said bill be referred to a Committee of the Whole House?

MS. COADY: Now.

MR. SPEAKER: Now.

On motion, a bill, “An Act To Amend The Emergency 911 Act, The Emergency Services Act And The Fire Protection Services Act,” read a second time, ordered referred to a Committee of the Whole House presently, by leave. (Bill 51)

MR. SPEAKER: The hon. the Minister of Natural Resources.

MS. COADY: Thank you, Mr. Speaker.

I move, seconded by the Member for Labrador West, that the House resolve itself into a Committee of the Whole to consider Bill 51.

MR. SPEAKER: It has been moved and seconded that the House resolve itself into a Committee of the Whole to consider Bill 51.

All those in favour?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against?

Carried.

On motion, that the House resolve itself into a Committee of the Whole, the Speaker left the Chair.

Committee of the Whole

CHAIR (Warr): Order, please!

We are now considering Bill 51, An Act To Amend The Emergency 911 Act, The Emergency Services Act And The Fire Protection Services Act.

A bill, “An Act To Amend The Emergency 911 Act, The Emergency Services Act And The Fire Protection Services Act.” (Bill 51)

CLERK: Clause 1.

CHAIR: Shall Clause 1 carry?

The hon. the Member for Ferryland.

MR. HUTCHINGS: Thank you, Mr. Chair.

I just had a couple of questions in regard to the integration of Emergency Services with Municipal Affairs and the move. I think it was said, and the minister said, the funding arrangements that currently exist for infrastructure will remain streamlined; Fire and Emergency Services and Municipal Affairs.

We all know there are a couple of joint federal-provincial funding agreements; one being the Building Canada Fund. Also, there are gas tax funds municipalities can use. Obviously, the criteria for that is set, but from time to time the gas tax, and what it’s used for and might be required to be used for in the future, is changed. With this provision and what we’re doing here today, is there a desire or will there be efforts to change those agreements in regard to funding, and maybe Fire and Emergency Services getting greater access to greater funding streams?

CHAIR: The hon. the Member for Labrador West.

MR. LETTO: I thank the Member for the question. He’s absolutely right; we would like nothing better than to be able to expand the criteria for gas tax and gas tax funding. This is something that we have not taken consideration of at this point, but having Fire and Emergency Services into Municipal Affairs certainly gives us that opportunity to be able to lobby to expand

the criteria. That's something we probably would be looking at in the future.

Thank you.

CHAIR: The hon. the Member for Mount Pearl North.

MR. KENT: Thank you, Mr. Chair.

Just a couple of quick questions; first is given the executive restructuring that will occur or has occurred as a result of this – I understand that a deputy minister, ADM position and an executive secretary position were eliminated. I was just wondering if the parliamentary secretary or the minister could comment on the cost savings to government as a result of this move.

CHAIR: The Chair recognizes the hon. the Member for Labrador West.

MR. LETTO: I don't have the exact figure but, certainly, during our streamlining of government and our move to reduce the number of deputy ministers and assistant deputy ministers, this was part of that move. But to have the exact figures, I guess, would depend on the salaries of those people.

The fact is now they come under a different department. The ADM in Municipal Affairs has taken over that responsibility. So obviously there were some savings, but as to what extent, I certainly don't have the exact numbers.

CHAIR: The hon. the Member for Ferryland.

MR. HUTCHINGS: Thank you, Mr. Chair.

Just a final question; in regard to budgetary implications of what we're doing here today, on a go-forward basis is the intent that the budgetary envelope for Fire and Emergency Services and Municipals Affairs will remain separate as we go into the next budget cycle?

CHAIR: The hon. the Member for Labrador West.

MR. LETTO: Thank you, Mr. Chair.

I think the minister made it quite clear this move would not affect, in anyway, detrimentally, the

funding for Fire and Emergency Services. It would just be a section under Municipal Affairs, in the Municipal Affairs budget, but I think the minister made it quite clear we have no intention of reducing the funding for Fire and Emergency Services.

In fact, this government will do whatever it can to increase funding, if we can possibly find it, because we recognize this service, Fire and Emergency Services, is a very, very important service to our community, and fire trucks and fire equipment is a big part of that.

So we will do whatever we possibly can to make as much funding available in budget 2017 and beyond, but I think the minister has made it quite clear, this move does not in any way have any intention of reducing the funding that we now provide for Fire and Emergency Services.

CHAIR: The Chair recognizes the hon. Member for St. John's East – Quidi Vidi.

MS. MICHAEL: Thank you very much, Mr. Chair.

I'm wondering if the parliamentary secretary can answer the question I put forward with regard to whether or not there will be any more positions lost.

CHAIR: The Chair recognizes the hon. Member for Labrador West.

MR. LETTO: Thank you, Mr. Chair.

To answer the Member's question, again, the minister made it quite clear that any streamlining of Fire and Emergency Services, because of this move, has already been done. There are no plans for any further cuts to Fire and Emergency Services.

Thank you.

CHAIR: The hon. the Member for Mount Pearl North.

MR. KENT: Thank you, Mr. Chair.

Just wondering, the director of Emergency Services position that's being created, has that position been filled and also which position in

Municipal Affairs will the director of Emergency Services report to?

I would assume the director of Emergency Services would report to an ADM. I'm just curious what the reporting relationship will be and if the position has been filled.

CHAIR: The Chair recognizes the hon. Member for Labrador West.

MR. LETTO: Thank you, Mr. Chair.

To my knowledge, the position has not yet been filled, but it's being worked on at the moment. The position will report to the assistant deputy minister that's in charge of Fire, Emergency and Corporate Services Branch.

CHAIR: The hon. the Member for Mount Pearl North.

MR. KENT: Thank you.

I thank the parliamentary secretary for the answer. So is it safe to assume then that the fire commissioner in the province will report to the same assistant deputy minister?

CHAIR: The Chair recognizes the hon. Member for Labrador West.

MR. LETTO: Thank you, Mr. Chair.

Yes.

CHAIR: The hon. the Member for Mount Pearl North.

MR. KENT: That was a very clear answer, thank you.

CHAIR: Seeing no further speakers, shall the motion carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, clause 1 carried.

CLERK: Clauses 2 through 16 inclusive.

CHAIR: Clauses 2 to 16 inclusive.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, clauses 2 through 16 carried.

CLERK: Be it enacted by the Lieutenant Governor and House of Assembly in Legislative session convened, as follows.

CHAIR: Shall the enacting clause carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, enacting clause carried.

CLERK: An Act To Amend The Emergency 911 Act, The Emergency Services Act And The Fire Protection Services Act.

CHAIR: Shall the title carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, title carried.

CHAIR: Shall I report the bill without amendment?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, that the Committee report having passed the bill without amendment, carried.

CHAIR: The hon. the Deputy Government House Leader.

MS. COADY: I move, Mr. Chair, that the Committee rise and report Bill 51.

CHAIR: The motion is that the Committee rise and report Bill 51.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

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

MR. SPEAKER (Osborne): The hon. the Deputy Chair of Committees.

MR. WARR: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report Bill 51 carried without amendment.

MR. SPEAKER: The Deputy Chair of Committee of the Whole reports that the Committee have considered the matters referred to them and have directed him to report Bill 51 carried without amendment.

When shall the report be received?

MS. COADY: Now.

MR. SPEAKER: Now.

When shall the said bill be read a third time?

MS. COADY: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, reported received and adopted. Bill 51 ordered read a third time on tomorrow.

MR. SPEAKER: The hon. the Minister of Natural Resources.

MS. COADY: Thank you, Mr. Speaker.

Considering the hour, I move, seconded by my colleague for Labrador West, that the House do now adjourn.

Thank you for your co-operation.

MR. SPEAKER: The motion is that the House do now adjourn.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against, 'nay.'

SOME HON. MEMBERS: Nay.

MR. SPEAKER: Carried.

It being Thursday, this House stands adjourned until Monday at 1:30 in the afternoon.

On motion, the House at its rising adjourned until tomorrow, Monday, at 1:30 p.m.