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*Speaker: Honourable Derek Bennett, MHA*

Monday

June 14, 2021  
(Special Debate)

The House met at 9 a.m.

**SPEAKER (Bennett):** Admit strangers.

Order, please!

The hon. the Government House Leader.

**S. CROCKER:** Thank you, Mr. Speaker.

In accordance with the motion passed on Thursday, June 10, we would now start debate on the motion on the Terra Nova FPSO.

**SPEAKER:** The hon. the Premier.

**PREMIER A. FUREY:** We're here today, Mr. Speaker – at least some of us – to debate the province's position on the Terra Nova FPSO. The significant offer made by the province to the partners and our government's decision that taking on an equity in the project is too great of a risk for our province to bear.

First let me start by saying, regardless of the outcome of the negotiations between the multi-billion dollar, profitable, big oil companies to achieve alignment in the project, we are – and always will be – there to support the women and men who are directly impacted. We share your stress and we will do what we can to alleviate your anxiety and fear. We will be there for you. We are there for you.

Beyond the details of this particular deal, there's a more fundamental question to debate here today, one that has plagued our history and one that we all must now face. It is our turn to examine the cognitive decision-making in approaching deals such as the Terra Nova and how myopic emotions have often lead to the wrong decisions in mega projects of the past.

We need to pause and reflect to ensure the decisions we make today, while they may or may not be the right ones for an election cycle, are, more importantly, the right ones for the future of our province.

**SOME HON. MEMBERS:** Hear, hear!

**PREMIER A. FUREY:** The essence of this debate is government's scope and depth in supporting multi-national, profitable, big oil

companies. This is not necessarily a question, however, of profit; it is a question of risk. I hope and pray that the private sector finds a solution, one that enables them to make large proceeds on that asset-life extension because those who assume the risk, deserve the reward.

The question we need to answer is this: Is the province, in its current financial position, ready and able to take on more risk in yet another megaproject?

We can never forget in the face of profits achieved and uncertain commodities that the resource is ours. The oil is ours. We need to ensure we do everything we can to develop conditions that allow us to realize the maximum value with the least amount of risk for the people of our province. I believe we have achieved that balance with the current offer on the table.

Last Thursday, the Minister of Industry, Energy and Technology provided an update to the people of the province on the status of negotiations on the Terra Nova Project. Despite efforts on the part of all parties and a significant financial offer by the provincial government, the future of the Terra Nova Project today remains uncertain and in the hands, firmly, of its equity partners.

This was not an easy decision or announcement to make. On behalf of our entire government, I wish to express, again, my continued support for the hard-working women and men who have contributed so much to the Terra Nova Project to date.

The uncertainty surrounding this project is stressful for them and their families. I'd like to take this opportunity, again, to assure them that we will continue our efforts to support the oil and gas industry and, in particular, the workers and their families.

The Terra Nova oil field has been a source of opportunity and pride for the people of Newfoundland and Labrador since its discovery in 1984. It was the second oil field to be developed on our Grand Banks, and production started in 2002.

Suncor holds 37.675 per cent ownership in the Terra Nova Project and is the project operator.

The remaining partners are ExxonMobil Canada at 19 per cent, Equinor Canada at 15 per cent, Husky Energy – a subsidiary of Cenovus – at 13 per cent, Murphy Oil at 10.475 per cent, Mosbacher at 3.85 per cent and Chevron Canada at 1 per cent.

Since first production in 2002, these companies have profited approximately \$12 billion from this project and our resources. Approximately 85 per cent of that oil has been depleted and the C-NLOPB estimates about 80 million barrels are remaining.

The FPSO has been out of the field since December 2019 and is currently tied up in Bull Arm, as we all know. An estimated \$600 million is required to carryout necessary upgrades to the FPSO and subsea infrastructure to return it to service to capture the remaining oil in the field. In addition to this issue, there is significant partner misalignment and that's the crux of it.

Over the past several months, our government has been at the table with the partners of the Terra Nova Project. We have worked with them to address these hurdles and barriers to get it back to production. Recognizing the benefits attached to the Terra Nova Project, the provincial government committed over \$500 million in financial assistance over the remaining life of the project.

This includes a direct contribution of \$205 million from the Newfoundland and Labrador Oil and Gas Industry Recovery Assistance Fund, an increase of \$30 million from the original MOU, as well as changes to the royalty structure valued at over \$300 million.

The provincial government is, and continues to be, supportive of the province's oil and gas industry and the Terra Nova Project, in particular, as demonstrated by this significant financial offer on the table. However, the province has a duty to all residents and given the province's fiscal situation, cannot support projects at all costs.

While the provincial government had discussed terms in taking an equity stake in the project, the risk has proven to be too great. An equity share would come with the associated costs of

abandonment and other uncertainties, not the least of which is the commodity itself.

The risk involved in the future of this project cannot be on the backs of the residents of our province. In excess of 85 per cent of current oil reserves for the Terra Nova Project have already been produced. Now, unlike the current project owners, taking on an equity stake as a new partner at this late stage adds significant risk for the provincial government.

While the current project owners are already committed to abandonment cost at a future date, the provincial government, as a new equity owner, would be committing to costs in the hundreds of millions of dollars without any guarantee of a return. This stands in stark contrast to the project owners who have already committed to the cost to abandon the project and have already had an 18-year earning period. That's 18 years of making money from our resources, which the Government of Newfoundland and Labrador would not have had as a new equity partner.

For the province's existing equity investments, the province was in at the ground floor. For the Terra Nova Project, the province would assume the full share of the abandonment costs associated with the equity interest on a field that is almost 85 per cent complete.

A 15 per cent share of the asset life extension would cost the province at least \$90 million. The province would also be on the hook for 15 per cent of abandonment costs after a non-guaranteed decade of additional production, with some estimates putting the total abandonment costs at as high as a billion dollars. These up-front and abandonment costs, as well as the risk of cost overruns on the asset life extension, the possibility of an early end to production and market volatility in the oil industry result in too great a risk for the province to undertake at this time.

Just last week, Mr. Speaker, Albertans learned that their final cost – taxpayers' cost – for the now defunct Keystone XL pipeline will be about \$1.3 billion, as the project was officially terminated on Wednesday. I am not prepared to burden the people of our province in our current financial reality with that sort of risk.

**SOME HON. MEMBERS:** Hear, hear!

**PREMIER A. FUREY:** Suncor, the operating partner of the Terra Nova Project, reported a profit of \$821 million in the first quarter of 2021, including more than \$350 million on its investments in Newfoundland and Labrador's offshore alone. In that same quarter of 2021, other partners of the Terra Nova Project reported profits as the following: ExxonMobil, \$2.7 billion; Equinor, \$1.85 billion; Cenovus, \$173 million; and Chevron, \$1.4 billion.

Mr. Speaker, these companies are far better positioned than our province's Treasury to assume the costs and risks associated with the remaining production in the Terra Nova oil field. Our government calls on the project owners to continue to negotiate over the coming days to find an equity solution. We will be here to support that project and work with the equity partners to ensure its feasibility in a way that benefits the people of Newfoundland and Labrador.

Our government has demonstrated our commitment to the hard-working women and men in our oil and gas industry. We helped secure the \$320-million investment from Ottawa and established immediately the Oil and Gas Industry Recovery Task Force to help distribute the funding to maximize value and employment. Thirty-two million of that fund has been dedicated to support our local service and supply sector. We also committed \$16.6 million to keep the Come By Chance oil refinery in warm idle and ensure employment while the owner continues to work towards securing a buyer or investor.

We also established an accelerated Exploration Initiative to provide companies with the incentive to drill more wells in the best prospects. This is a policy measure that will allow all future bid-deposit forfeitures to be reinvested, resulting in an injection of hundreds of millions of dollars in our offshore.

Mr. Speaker, our government will continue to ensure Newfoundland and Labrador is a globally preferred location for investment in oil and gas by emphasizing exploration in an environmentally sustainable manner to drive discovery and production. The potential in our

offshore remains great. In the fall, Equinor confirmed that wells drilled as prospects, known as Cappahayden and Cambriol, were successful. Just last week it was reported that the Bay du Nord field is now estimated to contain one billion barrels of oil, triple its initial estimates. We look forward to these exciting developments at the Terra Nova Project. The province will support those projects in ways that ensure the value and benefit for all Newfoundlanders and Labradorians.

The people of Newfoundland and Labrador deserve a government that is a responsible steward of our province's Treasury now and for the future. I'm frankly not willing to roll the dice with an equity investment in a late-life project in place of oil firms that continue to book profits in the billions using our resources.

Our government remains committed to ensuring the long-term sustainability of the oil and gas industry and its workers. We reiterate our call to the partners of this project to find an equity solution and get the Terra Nova FPSO back in production. Our government will be there to support the project as offered, in a prudent manner that benefits all Newfoundlanders and Labradorians.

Mr. Speaker, given the fiscal flexibility of the province, we can't afford to bet and lose. We've seen what happens when that occurs. It would cripple our Treasury, our schools, our hospitals, our future. We are still trying to right the wrongs of similar decisions in the past. While we cannot be anchored in that position forever, we need to learn from those mistakes.

Risk, in our current financial state, belongs in the hands of the private sector. I wish them the utmost success, profits and returns.

We will honour our commitment to the partners, but, more importantly, to the women and men impacted by any decisions made. We are asking the partners to come back to the table; a table that has now been set with \$500 million of government support to come to a deal that will allow a win for all of us.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER:** The hon. the Member for Terra Nova.

**L. PARROTT:** Thank you, Mr. Speaker.

I'd like to say it's an honour to speak here today, but it's not. For those who know me, I don't think anyone has ever seen me wear black into this House. It's a sad day for Newfoundland and Labrador, Mr. Speaker, and it's a sad day for a lot of people who are employed in the offshore. My heart goes out to them. Once again, we're sitting here having a conversation with not all of the facts in front of us.

The first thing I'd like to say is I believe that this government and all of the proponents involved in this deal should waive their NDA and put the facts on the table and let Newfoundlanders and Labradorians know what the real offer was and what's really at stake here.

**SOME HON. MEMBERS:** Hear, hear!

**L. PARROTT:** Failure after failure, Mr. Speaker. Now that the federal government has abandoned Newfoundland, they no longer care about oil and gas, yet they're still big on Saudi oil, I guess, where do we go? Where do we go?

I look back, I guess the first date that comes to mind is January 14. On January 14, this government stood up in front of a province and boasted about a deal for the Terra Nova, along with a federal minister who said it was a great deal; a day before an election – a day before an election. The day after that, on the 16th, that federal minister's own staff came here to campaign for these same people. Now, they are in power and they're saying there's no deal. That kind of tells you what it's all about.

We can talk about passion and we can talk about everything, but let's go back in time a little bit and look at what has happened long before the global pandemic, which is what this government has blamed this on from day one. Let's be clear, the Terra Nova FPSO came in to dry dock in 2019; it did not come in in March when this global pandemic started. The failure started long before. The Henry Goodrich came in long before; the West Aquarius came in long before; and the Barents has come in since.

We failed. We had the previous minister boast and brag about *Advance 2030* – bullish on it; 650 different oil fields or finds out there that we would develop. Do you know what we did instead? We hired a foreign advisor to see what kind of business we could drag up in Guyana. We abandoned our own people; the men and women who have built this industry.

All we have to do is go back to Hibernia and look at the former Liberal government under Clyde Wells and understand that it was the PCs that fought hard for this industry. It was Mr. John Crosbie that fought hard for this industry while the sitting Liberal government abandoned it.

**SOME HON. MEMBERS:** Hear, hear!

**L. PARROTT:** Memories are short.

Last week, I sat down and I listened about how much was there and how much wasn't there, and there are all kinds of different numbers from an industry standpoint and the standard is generally PPP – proven, probable and possible. Right now, we say somewhere around 115 million proven, probably and possible. While we want to know what's proven – simple fact, and there's nobody here that would disagree with that – the proven, probable and possible has always been the indication, the key indicator, for industry to move forward. When this oil field was found there was 278 million barrels PPP. Today, there are 540 million barrels PPP. It's doubled in size. We have 115 PPP now and most people in the industry would think that this going to expand over the life. There's no question.

I listened to the Premier over there this morning. The Premier says: People deserve a responsible steward. I could not agree more. But do you know what else people deserve? They deserve a government that's going to stand up for them; a government that believes in the people in this province and gives them a fighting opportunity to move forward. We don't have that. Our federal minister has been non-existent. Guess what? Our provincial counterparts have not pushed any of the silent six, not one of them; haven't heard them publicly call out anyone. As a matter of fact, I haven't heard anyone over here say a word about any of this.

We all make mistakes. Both sides of this House have made failures in the past. Some own it, some don't; some speak out about it. None of them do. Not one.

This opportunity with the Terra Nova is an opportunity for us to get people back to work. Now, we listened this morning to a briefing where we were told that an equity stake would give us a marginal return – a marginal return. When we asked about the indirect spinoffs they didn't have any answers. As a matter of fact, they quoted a report that came from Noia. I don't even know if this government did a report on the indirects.

The Greene report itself clearly says for every one offshore job there is, there are five more created: One equals five. Seventeen hundred jobs initially to get this rig back into service at \$138 million a year over a one-and-a-half to two-year process. Then a possible 10 years after that, same kind of money; 1,100 people employed offshore with as many as 5,000 onshore. Then you have to think about the message that this sends industry.

Now, it's all right to say this doesn't affect any jobs going forward because the bottom line is all that these oil companies care about. Well, guess what? The bottom line is not all these oil companies think about. If you want to talk to the current Finance Minister and ask her about the money that Exxon and Suncor and all these people have donated to H. Bliss Murphy and all these places that we need to survive as a government.

We can't afford not to find a way for this to work. That's just donated money, that's got nothing to do with the money that's generated by the men and women that work offshore, by the economic spinoffs from the businesses that are here, by the amount of produce and goods that are bought and sold and by the royalties.

There is a big picture here and what I see, based on the facts presented by this government, which are very little and I understand there is a NDA, but they're not disclosing everything. I can tell you right now, this is all about politics. This is about a federal government that wants to reap the benefits from the Hibernia field and don't

give a damn about Terra Nova or the people in this province.

**SOME HON. MEMBERS:** Hear, hear!

**L. PARROTT:** It's time for the people that got elected to govern, not Opposition, to govern, to stand up for the people of Newfoundland and Labrador.

**SOME HON. MEMBERS:** Hear, hear!

**L. PARROTT:** On January 14, when this announcement was made, the next day there was an election called. Guess what? This announcement was a MOU, a \$175-million MOU between government and the Terra Nova processors. Guess when it expired? In March. Guess when the election was? In March. Guess how much conversation went on between January 15 and March? Not a whole lot. Government will probably tell us after that they negotiated. Well, I urge you, if you negotiated during that time, put the documents on the table.

We're here this morning, while there is a group of men and women outside of this building protesting for their lives, and we're in here. We should have all been out by the door supporting them, or at the very least listening to them. If you can't support them, you should go out and give them the courtesy of your ear. It doesn't happen. I don't know if it's because people are afraid to stand up in front of the people that elected them or if they just don't care. I'm not sure. I'm not convinced. It's a pretty scary thought.

If you want to look at numbers and hard facts, I'll give you a few. The Premier, right now on the Terra Nova and all of our offshore oil and gas, if you were to give him a grade, it's pretty simple, I'd give him a zero. Finance Minister in her previous role, in the six years that we had to build this up – because this all fell apart before COVID – in the six years before this happened, I'd probably give her the exact same mark, a zero, because there are no prospects in the future. We can talk about a billion barrels offshore with Bay du Nord and all of those things that we like to flaunt around as good news, but there's no good news today. In order for us to have a future we need to have a present.

We talk about growing our population. There's going to be a mass exodus. We talk about looking after our people. We talk about mental health. We talk about all the things that we're here to do. We are supposed to look after this beautiful province and the beautiful people that live in it. Well, you're failing – you're failing miserably.

One other mark I'd like to give out and I'll give it directly to our minister that represents us: Minister O'Regan. I can't even give him a zero. It's ridiculous. For him not to be yelling and screaming on the rooftops of this province fighting for every man and woman that lives here, it's shameful.

**SOME HON. MEMBERS:** Hear, hear!

**L. PARROTT:** For nobody on that side of the House to be calling him out on it, even more shameful – shameful. All Seamus has done is shame us as a province. It's absolutely ridiculous.

Mr. Speaker, I have lots of friends that work on this Terra Nova and all of the offshore oil and gas rigs. Let me tell you, they're frightened to death. Is this a play so Ottawa can get more royalties from Hibernia? Perhaps. Is this a play so Hebron can bring an FPSO up alongside and spud another well nine kilometres away to get access to the oil from the Terra Nova field? Perhaps, but all of those things are the wrong answers. We need to be trying to do what we can right now. The only thing we're doing is forgetting about our responsibility to the people that put us here.

Mr. Speaker, all the money, all of the thoughts and all of these studies has been put in. You look to the Noia report. It just blows me away. At today's current price, if we were to – not a projection, just today's current price – buy into an equity stake and we only got the 115 million barrels, that's \$8.28 billion coming in directly. That doesn't include one portion of the indirects.

I listened to these guys talk about well abandonment fees. So they say somewhere between \$1 billion and \$2 billion. What they don't say is that is not the cost for us. The cost for this province would be based on the equity

stake. Why you can't negotiate a portion of what has already been done bewilders me.

If we buy 15 per cent – let's just use Exxon as the example – Exxon should be on the hook for their 85 per cent, if that's a fair number. That should leave us somewhere in the vicinity of about a \$30- to \$40-million bill for abandonment. I would suggest that's a realistic number, but government won't disclose that number. If it is a billion dollars, it's a billion dollars spread across all partners based on percentages. Again, a billion dollars. If it's 15 per cent, it's not a billion dollars, but government is trying to convince everybody it's a billion dollars. They need to come clean. They need to present the facts.

On Thursday, we asked to debate this. They wouldn't debate it because they said the information wasn't on the table. Monday morning 8:30, they give us a briefing and during the briefing, the House goes into session. Shame on you. The session was still going on when the House started. People didn't even receive the full briefing and, I will add, the briefing was null and void of any facts and figures. It just wasn't there. It was just blank words trying to convince us that we made a decision.

So, again, I say it: This government has some information that they should pass along to the people. This is a decision made to please their federal partners. This is a decision that they're not making. They tried to convince us they're putting \$500 million in. The money is not coming from our pockets. They're putting \$205 million in from the gas recovery fund. Let's be clear on that – and I don't think anybody has said this; most people probably don't know it – there are no more requests out there for this money. The rest of the offshore is not begging for this money. Unless a new request came in late last week, there are no more requests for this money.

**AN HON. MEMBER:** (Inaudible.)

**L. PARROTT:** Well, it just came in. That's what they say.

Now, Mr. Speaker, I am not saying that we should go all in on equity – not saying it. What I am saying is that we should be making this

decision based on facts. We should have all the facts on the table. We should understand exactly what the costs are associated with it. Not some speculation that it may or may not cost this. Government is not putting it out there. I believe that this is a decision that's being made with nobody's best interests in mind except a government that's afraid to look after the people that they were put here to do.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER:** The hon. the Minister of Industry, Energy and Technology.

**A. PARSONS:** Thank you, Mr. Speaker, and thank you for the opportunity to speak to this.

I'll try my best to keep my train of thought logical and coherent and respond to some of the comments from the other side. I don't believe there is any need to reiterate the comments made by the Premier, many of which were also part of the briefing that was provided to all Members of the this House of Assembly prior to coming in here.

Now, one of the values, one of the benefits of being in this House for as long as I have is that I have the benefit of history. I have the benefit of knowing how things used to be done and how they are done now. I will point out just a couple of things that the Member said about having the briefing Monday morning. Well, I can tell you two things. Number one, if we had offered the briefing on Friday or Saturday, it probably would have been turned down. I will also –

**AN HON. MEMBER:** (Inaudible.)

**A. PARSONS:** I tell you what, I never said a word when the Member previous spoke. I would expect to be afforded the same courtesy here on this debate.

The crowd opposite actually asked to have the debate on Thursday; they wanted to have the debate prior to having any information. What did we do? The staff, who I would point out were just insulted about not doing an analysis, not putting together any information, not showing up to do this work and not working

over the weekend. The staff were insulted here – say you didn't do the briefing.

The reality is that a briefing was provided on this and we're having a debate on this. This is progress, I would point out, because I can remember the last time, when I sat in the Opposition and we debated a megaproject, the minister of energy or natural resources at the time said publicly: We don't need to debate Muskrat because the quality of debate would be so poor that we don't need to have a debate. There was no emergency debate. There were no questions asked. We were basically insulted for asking for the debate.

I will point out that we have progress here today. I realize that if we had the briefing Friday, had the briefing Monday, had the briefing Saturday or never had the briefing, the reality is that politically we will get attacked for doing so. The reality is that we put a briefing together and offered it to all Members of this House of Assembly, as we should, to have this special debate.

The other reality, too, is that this matter will continue on. Information will continue to be provided because I actually believe that this deal can still happen, but I do not believe it is incumbent on government to put everything into it. I do not believe it is incumbent on government to risk the future of the province to make this deal. I don't believe it's on us at all costs.

There was a lot of rhetoric in that last speech. I wrote a lot of it down and I'm going to try my best to respond to it. Again, everybody has had the information provided. The first thing is we talk about waiving the NDA. I would say that the province would actually be open to doing that. If you can convince the seven partners, multinational companies, to waive their NDA, I guarantee you the province would follow suit. But the reality is that this is a commercial transaction for which we are not a partner. We cannot force them to do this. I would tell you it would absolutely be unprecedented. You find me a government before or after that would do that, absolutely crazy. You find me companies that would do that, absolutely crazy. But it's a nice thing to ask for.



Again, we've put out everything we can without getting ourselves in legal jeopardy, which, I would point out, I know there are certain Members – not all Members. I'm not going to tie everybody in together because I don't think it's fair, but there are certain Members that would love nothing more than for this government to mess up the process by revealing all the information. I believe that to be true, Mr. Speaker.

Again, I'll go through the points that I just made: We were asked to have a debate before any information was provided. We felt it responsible to do it today. I would point out that the self-imposed deadline by the companies is tomorrow. That's their deadline, not ours. Government has not imposed any deadline. That's their deadline. We're here debating it before then. Again, I would point out that it's going to be far more of a debate than we were offered on many other important topics in this province. I think we have made progress.

I will point out we talk about the staff and no analysis. People can insult me; people can say what they want about the Premier. We're here. There were civil servants in that office all weekend doing work, and for the Member for Terra Nova to insult them – and that's the second time this session – it's unacceptable. Unacceptable.

**SOME HON. MEMBERS:** Hear, hear!

**A. PARSONS:** You can fault me all you want, but to talk about those women and men that have been working on this for over year and saying: Nothing was done; I don't think that department has any analysis done. That is not how this works. Again, history shows me that. I was not given an opportunity to have those briefings on many occasions before; I never even got the opportunity.

We talk about failures of the past. The reality is – and I'm not getting in stripes here – there have been many failures in the past, tons. Many governments, all stripes, all kind of politicians, that's what happens when you govern. You do fail. In this particular case, I can tell you that the decision that we have reached, the decision that we have taken is to avoid a failure in the future. That's what we are doing here. We feel that we

have put the work in. We feel that we have put the time in. We feel that we have put the analysis in. I appreciate the frustration that people feel, and not just the Members opposite, but members outside on the steps. I appreciate that. It's hard not having all that information, the information we are privy to.

As one Member said to me: We can only hope that you are doing what's in the best interests of the province. I can tell you, I truly believe that the decision we have taken is in the best interest of the province. Does that mean the entire province likes it? No, but we feel we are doing something that is good for the entirety of the province. I would point out, the most important part of the province are all those ones who are going to come out here after us. This is a future decision. This is a decision to protect the future. That's what we're all here for.

Now, I keep hearing: The government should do this, the government should do that. I will point out, I will reiterate to all that are out there, \$500 million of value is certainly not nothing. I would also reject the arguments from the other side who question me – I can tell you, I don't make decisions based on whether somebody is going to like it or somebody is not going to like it. We make it based on what we think is in the best interest.

I can tell you, the majority of messages, calls and emails that I've had since Thursday were not about: Why are you not doing it? Were not about: Why are you not taking it? Why are you giving \$500 million? That was the majority. That's true. If people want to they can ATIPP my emails to see that. They can ATIPP that. I never got one negative email about not taking equity.

But, again, what I will point out is that if taking equity was the right thing, but not popular, we would do that. It's not about being popular. The Member said about govern. Well, Mr. Speaker, that's what we're doing. We are governing but we are governing for everybody.

**SOME HON. MEMBERS:** Hear, hear!

**A. PARSONS:** I will also point out – I've been criticized since the fall, fair ball, that's what happens here – I have been asked to spend the

entirety of the \$320 million. We were asked by certain Members of the Opposition to spend it all on West White Rose. We were asked by Members of the Opposition to spend it all on Come By Chance. We were asked by Members of the Opposition to spend it all on Terra Nova. I don't know how that's possible.

Now, what we have done is we have committed the lion's share of that money, \$205 million, to this project, to the detriment of other projects that are out there. I will point out, we have taken \$32 million and put it to the supply and service side. Now, hopefully, that comes out soon. People don't always realize, these are not companies that people always hear, but we had a ridiculous amount of interest for that \$32 million. What I can tell you, in fact, is for the \$32 million, we had over quadruple the dollar amount of applications made. I think it was over 70 or 80 applications made for that. That's money that you're going to see, that's jobs, that's work. But we felt that was important. In fact, that was a task force recommendation which we complied with because we felt we need to ensure that the supply and service sector, which is also important, we need to get that done.

Coming back to it, we have been asked on multiple occasions to give the money away; give the money away; give the money away. What we've done, we have made decisions. They'll be questioned, that's fine. But what I can tell you is this money is there on the table for the project and for the owners. I can guarantee you that if this goes ahead, down the road somebody will criticize us for giving that money. But that doesn't bother me because we believe it is the right thing to do to make this project work.

But if it does not happen, the Member opposite said: Well, there's no interest in that money. I can guarantee you, Mr. Speaker, there will be a lineup of people coming to get that money to put it towards our other offshore projects, our other offshore jobs that will happen, people will get the benefit of that federal funding.

Speaking of federal: I know that it makes good politics to shout and scream and want to belittle your federal politicians. We've made a lifetime of that here in this province and it's usually good politics. We talk about: Well, where are the

Members? Where are the Members? I think the word was: give them the courtesy of your ear. I will say to the Members, I was out there on the steps; the Premier was out there on the steps; the Minister of Finance was out there on the steps. Right now, while we speak, Minister O'Regan is out there on the steps speaking.

**SOME HON. MEMBERS:** Hear, hear!

**A. PARSONS:** You might not like what he has to say. That's fine. That doesn't bother me one bit. What I'm saying is that he is out there. We were out there. I was speaking to TradesNL. I was speaking to Unifor. In fact, I can tell you, I was speaking to Unifor yesterday, as was the Premier. We've been speaking on this every single day.

It's like an iceberg, I would say folks. There's what you see on the ground, just above the surface there and there's what's below. For everything that people see in the news, I can guarantee you there is a significant amount of time and effort that's being applied every single day behind the scenes and under the surface. I can guarantee you that.

Now, again, the political rhetoric was: Stand up for the people. It's time for you to stand up for the people. That's a line. I've probably used it when I was in Opposition myself. It's a good line. It gets attention, especially to those that are reacting with their hearts. But what I would say, Mr. Speaker, is that number one: giving \$500 million to this project is certainly standing up. The other thing I would say is that the decision we have reached in this matter, I can guarantee you, whether people like it or not, it certainly is standing up for the people. I've had a number of people reach out to convey that.

Now, one point is we talk about the failures. The reality is we have multiple projects ongoing right now. We have multiple hopeful projects in the offshore with great potential. I would not let one project colour any government's feeling towards the rest of it, or their position towards the rest of it or their outcome towards the rest of it. The reality is to look at this particular situation and say that a government has failed or that a government does not support oil and gas is a beyond ridiculous statement – it is a beyond ridiculous statement.

The fact is that successive governments over multiple years have gone out of their way to support the oil and gas industry. In the same way, when I do an interview with people that question our government and previous governments' support towards oil and gas, I'll defend it. Oil and gas has helped to pay for our social programs. It's helped to pay for our education. It's helped to pay for our health care. These are all good things and we believe that will continue into the future.

Again, I do not believe the investment that is being asked of us at this point is a good one for the province. I wish I could disclose all the details, but the reality is that we can't. What I will say is that a failure of this project will not rest on the shoulders of this government or this House I can guarantee you. A failure here – I think we need to look back at the ownership. I think we need to look back at the ownership that has taken – 85 per cent of this project is out of the ground.

We could talk about equity. Equity is fine; equity is not a bad thing. We have equity stakes in three other projects, but each one of them was on the ground floor, was in early. In this particular case, we are being asked to come in with 15 per cent left and assume significant risk down the line when the vast, vast majority of the project, the value is gone. I don't believe that is right.

We come back to this ownership group. They are the ones that have reaped that benefit and are now asking us to take on the increased responsibility for the costs that are coming down the road, the costs that come with decommissioning and abandonment. I don't think that's fair. The Premier has already pointed out the numbers; I'm not going to repeat them. Needless to say, these companies have a much healthier bottom line than this province. I can guarantee you that; they have a much healthier bottom line.

I will point out – and I'll say it and hopefully the companies are listening – there are other private interests out there that want to get in on this. There are other private interests out there and they want in on this. It's incumbent on the ownership to go to the table. We will assist; we'll do what we can. We have half a billion

dollars sitting there, but to come back to us and ask to put it on the backs of 520,000 people, it's not right.

There are private interests here that are willing to take this on. We've done everything we can, but I'll tell you what, I'm not giving away my kid's future. I'm not doing that.

**SOME HON. MEMBERS:** Hear, hear!

**A. PARSONS:** Again, I have no problem with risk and I have no program with gambling. We all believe that there are times to risk and there are times to gamble, but I'll point out this, Mr. Speaker, I'm not risking my own money, I'm risking money that belongs to everybody out there. That's the problem.

It's fine to take risk if you're a company. If you're a company and you take risk and it doesn't pan out, you shed layers, you shed people, you shed capital expenditure and you shed exploration. If we take risk and it fails, we shed schools, we shed hospitals, we shed programs for autism: we shed all of these services and we shed jobs and people. That's the problem with risk.

I say, Mr. Speaker, hopefully I will get another chance to speak to this. I think I've spoken enough here now. That's where we are. I am glad that the Opposition – I'm glad that every Member of this House is here speaking to it. We need to do that – absolutely. Your job is to question, to hold us accountable and scrutinize – absolutely. But, again, I believe I have made the point that we're all trying to get across here – from, certainly, the Members here – is that we have all of the time in the world for those workers that are out there. I've spoken to my share of them and there are a lot more workers. But in this case, what the operators are asking us to do is not fair to the people of this province; it's not fair to us. That is why, at this point, we will just have to leave our measly little offer of half a billion dollars of value on the table.

Right now, ownership in this project, an equity stake in this project, according to the excellent analysis done by a lot of really good public servants in my department, the Department of Finance and elsewhere, the analysis that I've seen – and I've spent just a lot of time since

August working on – said it's not the right move. I believe time will tell. I believe that at the end of the day, this will be proven to be the right decision. In the meantime, I know that it requires debate and questions and we'll let the morning continue on.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER:** The hon. the Member for Grand Falls-Windsor - Buchans.

**C. TIBBS:** Thank you very much, Mr. Speaker.

Just sitting back listening to all this today and seeing the people outside, we can tell where the passion is here in Newfoundland and Labrador. We've always been an oil and gas province and we should continue to be as well.

Sometimes I question what I'm here for. The politics of it all sometimes just drives me absolutely nuts; I'm not a fan of it. What I am a fan of is keeping people here in Newfoundland and Labrador and protecting revenues that are going to be sustainable for the future and our future generations.

You throw out the numbers all day long and, again, I'm here to put a face on some of those numbers that we throw out there; keep it as personal as we possibly can. The Premier talked about an equity partner without any guarantee of return. I would argue someone paying their mortgage, their car payment, keeping groceries in their cupboards, in turn, to keep people here in Newfoundland and Labrador, well, that's a good return for me as well. I would argue that is the return we're looking for at the end of the day. If this province doesn't make a dollar off this decision – not a dollar – but instead keeps the 1,100 people working, then the 1,700 people working, \$138 million in wages and spinoff jobs, that alone right there should be initiative enough to make this project as successful as we possibly can.

Mr. Speaker, my portfolio as critic to Population Growth has never been more important than it is here today. If projects like this go by the wayside – with all the work that's put into it, I understand. But if projects like this are lost, and

it's indicative of the future projects here in the province, the mass exodus that we're going to see is going to create a snowball effect that's going to destroy this province. It's going to absolutely destroy it.

Our population growth is the key to our success in this province, keeping people here and keeping us above water, keeping us afloat and I don't see it. I was one of those workers that went away for 17 years, but I came back and forth. I brought every cent back home to Newfoundland and Labrador. Besides buying a beer and a meal in the airport on the way home, there wasn't a dollar spent away. All of it was brought here.

What we're going to see with future outcomes is people moving away. People are doing it now; they have been for the past couple of weeks now. I know people that have already left. It's going to intensify, it's going to get worse and worse as we go along here.

Let me tell you something, there's nothing worse than a nanny or poppy here in Newfoundland and Labrador that has to call their kids and grandkids once a week up in Alberta, Fort Mac, down around Taber or wherever, Saskatchewan, Northern Saskatchewan where they're drilling. It's hard to see, it's hard to watch but that's the direction that we're headed. Make no mistake, those people out on the steps this morning and those people in the Districts of Terra Nova, Harbour Main, all these places, where this directly affects the people, they're going to see a population loss.

Once that starts to happen and the revenues start to leave this province, b'y we're in for a rude awakening I believe. It's coming, no matter how much we don't want it to come, it's coming. There's nothing worse than seeing a person get on a plane every single day and take off; it's hard to watch.

Over the past years, when it came to people losing their jobs in the oil and gas sector, I've watched friends lose their houses, lose their cars, lose their families. It's hard on a marriage. It's hard on kids. But I've also seen them lose their lives. I've had three friends of mine, in the past so many years, who have taken their own lives due to job loss. Once again the snowball effect,

everything going out of proportion. It's definitely eye opening.

We had this PMR last week about mental health. The mental health of this province is not in the best shape now as it is, nor is it anywhere across the country. I'm sure everybody is – they have their demons, they're in hard shape. But those people out on the steps this morning and throughout the districts that are fighting for their livelihoods, their mental health is going to take a big hit here. In turn, it's going to be a trickle effect down through their families, their spouses, their children. That's hard to come back from.

A lot of the resources we have in this province, but to get a second or third visit, once again we've talked about it before, it's tough to do sometimes. We're going to see a bigger mental health crisis once again if this is the direction that the province is going in. None of us have the answers. I'm sure the government are trying their best right now, but some things definitely could have been done before this, beforehand, leading up to this.

When the Member for Terra Nova talked about the technical briefing just being offered this morning, that's not a slight on staff. The staff of the minister were only given the weekend to get it all together and I'm sure they did one hell of a job. They did a great job trying to put together the information that they had. But a briefing should have been done a week ago, two weeks ago. We knew this was leading up to tomorrow's deadline. I truly believe that some foresight should have been given at that time. There should have been a briefing Monday of last week, for instance. That's something that could have been facilitated.

It's not a slight at all on the staff members. It's probably more of a slight on the direction that they were given or the direction they were not given in due time and due process.

We talk about the federal government. The west of this country were into oil and gas long before us. You go to Nisku out in Alberta and they still have the first oil rig that ever started it all, back 60 or 70 years ago. They've been through quite a bit. They've been through quite a lot, and my brothers and sisters out there: my heart is with

you as well. We can relate to them and they can relate to us.

I look towards them, and if you want to talk about how popular this federal government is when it comes to oil and gas, you take a look out there and the federal seats they've put in. It's beyond me how anybody can truly trust this federal government when it comes to oil and gas when there are so many other countries out there that are just cashing in on the benefits.

We talk about the transition from oil and gas to a greener energy and, again, it's coming, it's there, I can't wait for it, but it's not there today and it won't be there tomorrow. So while the rest of the world cashes in on the oil and gas products that we have now – which is not just what you put in you planes, it is not just what you put in your vehicles, but it's what everything is made of. Everything around you is made of oil and gas. The product is going to be around for a long, long time.

We are an oil and gas province. I believe we are still a fishing provinces as well, but we are an oil and gas province. While we're not cashing in on what we can, the rest of the world is. Make no mistake about it, they see the writing on the wall and they want to make sure that they get the maximum benefit they possibly can. Whether it be through revenue, business, jobs, it's all out there.

When we look towards the federal government and the fact that they gave \$200 million to a casino in Ontario. I would love to know which MP stood on his feet or her feet and screamed and shouted that their casino needed \$200 million and got it. I'd like to shake their hand because we don't have it here, we really don't.

**SOME HON. MEMBERS:** Hear, hear!

**C. TIBBS:** We talk about our federal MP – the federal Natural Resources minister and – again, I know that a lot of emotion get into it and it is not rhetoric, but how he is not screaming and shouting and standing on his feet and saying: No, no, we need more for this province. Sure, the half a billion dollars, it's a great start. It's great to put out there. It's great to put on the table.

I know that the Minister of Energy talked about: Well, do you know what? Some want it to go towards this project or that project, and it has to be stretched a long way. I don't think that's the point. I think the point of it is that our major resource right here in Newfoundland and Labrador, our job creator, is on the line, and Ottawa is nowhere to be seen. The half a billion dollars is great; it's there, but we need more. We need more.

Who's going to stand on their feet to say we need more? I know we will and I hope the government does, too, because we need more. We haven't been a have province in 10 years. We will still watch provinces like Quebec get a \$13-billion equity program through equalization – \$13 billion. By the way, I would argue that in some of those years – I don't know about this year or last year – in most of those years, Quebec still posted a surplus of their budget and still got \$13 billion.

We have two of the greatest, greenest projects in all of this country right here in our little province. We came in line with what the federal government wanted. They asked for green energy; we did it. We did it. Even the government says we are the green battery. Why? Because of Muskrat Falls, because of the Upper Churchill. We did it. We did exactly what they asked us to do and we put everything on the line to do it. What do we get out of it? Nothing. Two hundred million dollars for a casino and we are getting nothing. We're telling these people out on the steps: I'm sorry.

Like the Minister of Energy said: give the money away. It should be from the federal government – sorry, he said: A failure of the project will not rest on the shoulders of this government. I agree. A failure of this project will not rest on your shoulders. The failure of this project will rest on the backs of those people out on the steps.

**SOME HON. MEMBERS:** Hear, hear!

**C. TIBBS:** Again, we look at the federal government; we look at the MPs that – we can all agree, everybody across the province: Where are they?

It doesn't have to be a political stripe because, I can guarantee you, if we were in government and this was Erin O'Toole, I would be the first person to stand up and say: Are you kidding me? We need more. We need assistance. We need help. We put our butts on the line. We built our green energy projects, as the federal government wanted, as the world has been asking for. The world has been asking for these green projects, and, by God, yes, we put ourselves in the hole by doing it. We definitely incurred a lot of debt doing it, but we did it.

Where's the incentive? Can't oil and gas and green energy make that transition together? We still need it but the incentive is not there. It's hard to watch.

We talk about retraining the oil and gas workers. Let me tell you something folks, oil and gas workers for the most part don't want to be retrained. They love their job. They want to continue doing their job. I loved my job. I was still part of the old-school drillers that spun chain. You take a three-quarter-inch chain and you flick it around pipe. You watch out to make sure your hand and arm aren't sucked into it; throwing tongs. I've watched injuries, horrific injuries, but still some days I sit here, I think to myself I miss it. I'd still like to go back to it.

These people don't want to get retrained. Some of them may. I can't say all of them. I can't speak for all of them, but for the most part these men and women love their job. They love being covered in oil, grease and dirt. I loved every minute of it. Even though it was hard, I knew what I was doing. I knew that all of you were going to go to work in your vehicles the next day because of me. Maybe not the Member for Lake Melville though. He had the green energy.

But I knew that I had an important job to do. I loved my job. When we talk about putting that money back into retraining, retraining, retraining, you have to stop and ask yourselves – most people here sat at a desk or they were lawyers, doctors, educators, all great professions, but not everybody wants to sit at a desk. I do it now and I love my job. I truly love my job. But the only reason I love my job is that I know I'm speaking on behalf of every blue-collar worker in Newfoundland and Labrador that doesn't want to be retrained, that just wants

to go back to work, drill for oil and make sure that this province is taken care of for future generations.

**SOME HON. MEMBERS:** Hear, hear!

**C. TIBBS:** I'm actually trying to convince one of my sons to get into oil and gas one day. He's 13 years old. He asks me about it. He says: Well, Dad, how much money can I make? There's good money in it. The youngest fellow, Xander, sometimes talks about oil and gas and he'd like to get into it. I don't deter him from that – I don't. Yeah, he probably won't be there for another seven, eight years; I've worked with guys on the rigs 16 and 17 years old. He might not be there for a couple of years yet, but I'm not going to deter him from that. I was a proud oil and gas worker – a damn proud oil and gas worker.

Those people out on the steps, they're very proud oil and gas workers as well. We have to stop in here for one minute, just a minute. Let's forget about the billions. Let's forget about all the numbers. Let's forget about the agreements. Let's just stop for one moment and put yourselves in their shoes, what they have to face this weekend: staying up late at night, 3 in the morning; thinking about how they're going to put food on their table, how they're going to keep their car payments going.

All of us in here, we're thinking about where we're going to go on a staycation or even a vacation this summer as Canada opens up. Not these people. These people truly now have to worry about groceries, food. As hard as they work – and I worked 13-hour days, up to 50 days straight, and some of these men and women do it as well. Can you imagine working that hard and not having a future, or not knowing if you're going to get a paycheque?

When we talk about oil and gas, we can talk about the transition into green energy and how important it is, and it truly is. It is more important to the future of this planet than anything else. If you think climate change is a joke, then you're wrong because it's there. We need to ensure that future. For right now, we need to ensure a future in oil and gas here in Newfoundland and Labrador and let these

people know that we're with them, because we are with them.

Again, you don't know it unless you do it. You have no idea what it's like, the camaraderie of these men and women as they work together; the cold days, the cold nights out on that rig or anywhere else in oil and gas. It can be a tough job, but, by God, they're some proud to do it. They're proud to do it and they're more than proud to put revenue back into Newfoundland and Labrador. I was proud to do it as well.

I'm not going to stand here and point fingers. It's not going to happen. I am going to stand here instead and lend a hand to the people outside on the steps and let them know that we will do whatever it takes to help them out. We have to reinforce that. Again, they're not looking for the retraining; they're not looking for a layoff slip; they're not looking for a new job. They want to work where they work. It's a fantastic job. It's a fantastic industry. It has a future in Newfoundland and Labrador, but unless we facilitate it, it does not.

Can we do it as a province? Probably not. We probably can't get there just on our own. But we are in the Confederation of Canada, and the federation of Canada will reach out and help so many other provinces. We've been hearing it for years, ever since I was a kid: Newfoundland and Labrador always gets left behind. I see it more and more and it truly is.

The federal government have debt as well. Of course they do. Unless they step up, unless they put more equity in, unless they put more money into this – and I hope the prime minister gets this message as well, because Newfoundland and Labrador needs the federal government right now. We do. We need them to come down and say, you know what, what else do we need to facilitate this?

I understand the big oil companies' guys, yeah, they're in it for a dollar. Of course they are. Like I said at the start of this, Newfoundland and Labrador coffers, if we don't make a dollar off it but we keep these people working out here – I don't want to lose money, of course, and I can understand the risk. But if we don't make a dollar, if we break-even and we keep our people

out here working and we take care of our people, then that would be worth it to me.

We need to make sure that we send the rest of the world and the rest of the industry a message, because we always say Newfoundland and Labrador is open for business. We have lots of businesses here in Newfoundland and Labrador; we have our tourism sector and we have our fishery. That's starting to make a comeback as well, but the oil and gas, that's where our revenues are going to come from. It might only be for another 20 years, but if we shave years off that 20, the revenues we're going to lose are substantial.

To the people out on the steps and the people throughout the districts throughout Newfoundland and Labrador in the oil and gas sector, as a driller, I stand with you, the Opposition stands with you and we will continue to fight and do whatever we can to keep groceries in your fridge.

Thank you very much, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

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

**S. COADY:** Thank you very much, Mr. Speaker, for acknowledging me in this very important debate today.

I thank all Members of this House for the opportunity to have this, what I think is a very important discussion and debate today. Most importantly, I think this morning I want to thank the men and women who have contributed to the growth and development of our offshore oil industry. They have done outstanding work and they are recognized globally for their skill and their abilities. Mr. Speaker, in this debate this morning we have talked a lot about our offshore workers but I wanted to acknowledge them.

We have a very robust offshore opportunity. We have an opportunity to grow, develop and continue to produce, Mr. Speaker, and that has really modernized and changed Newfoundland and Labrador, in a lot of ways, our oil and gas industry. The value of our oil industry in this

province cannot be overstated, nor is it easily replaced.

I also want to thank, this morning, the professionals in the Department of Industry, Energy and Technology, as well as OilCo, for the work and efforts they have put in since the collapse of the international oil industry and, of course, the development of COVID; for the amount of hours, the amount of effort, the amount of encouragement, the amount of support and the amount of information that they have been able to provide and to continue with our growth and development of our oil and gas industry.

Mr. Speaker, I was minister, at the time, of Natural Resources when COVID first struck and when the collapse of the international oil industry occurred and I can say, Mr. Speaker, the hours and the efforts should not go unnoticed. I won't allow that to happen this morning: allow me to just thank them.

Two important things to start off this morning is thanking our offshore oil and gas workers, the men and women who provide incredible skills and integrity and effort to grow our offshore and as well to the department and to OilCo for their efforts as well.

At one point, the industry represented up to 30 per cent of the gross domestic product of this province, 13 per cent of labour compensation and 10 per cent of employment. That is a significant contributor, a significant contributor to our economy here in Newfoundland and Labrador.

I will say we have some of the lowest carbon intensity oil-emitting projects in the world today; some of the lowest carbon intensity emitting projects and I think that's something that cannot go without saying how important that is. We want to continue to put the oil from Newfoundland and Labrador into the world markets because, of course, it helps drive down carbon – the carbon intensity of oil – and it helps to ensure we have the lowest carbon per barrel. I know the projects here in Newfoundland and Labrador continue to work to lower that oil.

Mr. Speaker, I listened intently this morning to the Member for Terra Nova who said that



nothing had been done in our offshore. So I thought it would be important to make sure that when I'm speaking to the people of the province, when I'm speaking to the global industry that I correct the record. Allow me to have a few moments to talk about some of the things leading up to what happened in 2020, Mr. Speaker, because I think it is very, very important for people, not just in this province but those that are listening around the world, the oil and gas industry, those that look to this province to make their investments – and we want to encourage them to continue to make investments in Newfoundland and Labrador. I can say, Mr. Speaker, we have tremendous opportunity that is, I would think, one of the biggest opportunities in the world today.

Allow me to talk a little bit about some of those – what I'm going to call – important steps that were taken leading up to the challenges of 2020. First of all, I can say that we worked very hard with the federal government to accelerate the exploration approvals. We were able to take it from 36 months down to less than six. That, I can tell you from CNOOC and from Equinor, from some of the majors in the world today, was incredibly important. CNOOC is out there hoping to make a discovery as we speak. There's been hundreds of millions of dollars looking for the next Hibernia offshore. I do hope they do that. I want to say a shout-out to the men and women from Newfoundland and Labrador who are working on that rig. Let me say that I hope that we'll be celebrating a new discovery soon.

We worked with Husky and partners on the West White Rose extension. That was not only agreed to but it was started, Mr. Speaker, about some 60 per cent of it is completed in Argentina; a tremendously skilled and readily available workforce – tremendously skilled.

We also did a framework agreement for Bay du Nord. Bay du Nord has been in the news, the discovery, the recent discoveries, the new discoveries that Equinor has made in the last year have increased the prospects for Bay du Nord, some say to a billion barrels. I do want to encourage Equinor to move forward with that development.

I can also say the asset life extension of Suncor was also agreed. I'm going to say this because

the people of the province need to understand that when the asset life extension was agreed by the partners of Terra Nova, the conditions were the same as they are today; roughly the same dollar value for the price of oil, roughly the same dollar value. It was around \$70 US Brent crude and today we're roughly in that same realm.

I say to the partners of Suncor, I do hope that you take that into consideration as you look toward moving forward with the sanctioning and the asset life extension, especially with Newfoundland and Labrador, and through some money that the federal government is also contributing, having put a tremendous \$500 million on the table to assist with the development of the asset life extension.

We also, Mr. Speaker, had the Innovation and Business Development Fund – \$60 million to encourage innovation and business development for our oil and gas industry offshore – \$60 million. That continues today, about \$6 million a year going out to help increase our development.

The Member opposite said disparagingly that we were involved in encouraging Newfoundland and Labrador companies in Guyana. Well, Guyana is developing its offshore oil industry and we have tremendous expertise to lend it. We are there: numbers of Newfoundland and Labrador companies. Many, many Newfoundlanders and Labradorians are engaged in that. That certainly says that we can export our expertise and develop in other countries. I'm very proud of the Newfoundland and Labrador companies that are doing just that.

We also had eight, Mr. Speaker, new entrants to our offshore. Companies like BP and BHP put in major bids to come and develop offshore Newfoundland and Labrador. In fact, we had the largest single bid of \$621 million – \$621 million – made by, I think it was, BHP in our offshore in recent years.

We also have new discoveries. ExxonMobil made new discoveries. Husky made new discoveries. Equinor made new discoveries. So things are very exciting offshore Newfoundland and Labrador.

In fact, the department also has an exploration data room. I can also say that we've spent in excess of \$100 million – well in excess of \$100 million – on seismic data. We now have over 200,000 – 200,000 line kilometres of new 2D multi-client data and 40,000 kilometres of high-quality 3D data available. Think about that, Mr. Speaker, we are saying to the world that we are making investments to understand our seismic offshore Newfoundland and Labrador and what we're seeing is tremendous. In just 10 per cent of our offshore – and this has been independently verified – there are some 60 billion barrels of oil. Not discovered, but seen on seismic.

Now, we need to get out there and discover it. That's why companies like CNOOC, that's why companies like BHP, BP, Equinor and others are out there doing discovery. Is there enough discovery happening? We would like to see more, Mr. Speaker. I encourage companies to go out there and do that. That's why we worked so hard to have that accelerated exploration approval process in place.

I heard the Member opposite talk about *Advance 2030*. Over 200 oil and gas stakeholders developed that. We have an oil and gas council made up of some of the top – the absolute top – oil and gas executives in this province. We also have a task force to help spur continued growth and development.

Mr. Speaker, I think this government has done an incredible amount of work to continue to grow our offshore oil and gas industry. I say to the oil and gas industry itself, I say to the companies around the world, including the eight new entrants, including ExxonMobil, including Suncor, Husky and Equinor, partners today in our offshore, there are some 650 leads and prospects – 650 leads and prospects – more than 20 basins mapped offshore Newfoundland and Labrador and over 60-billion barrels.

All I can say is our opportunity is outstanding offshore Newfoundland and Labrador. The people that work in it are compared to the best in the world. We have robust supply and service capabilities in this province, and we have world-class education and innovation happening here. We are probably the world's leader – and I can say that. I'm not trying to brag or anything. I

think it is true that we are recognized as the world leader in operating expertise in harsh environments.

Mr. Speaker, I think we should be cheering our oil and gas industry. The people of the province may not realize just how big offshore Newfoundland and Labrador is. We have some 910,000 square kilometres in our offshore. Now, compare that to, say, Norway. Norway's is 650,000 square kilometres – so the magnitude of our offshore oil and gas potential.

Now, Mr. Speaker, you've heard a lot this morning about the Terra Nova Project and that Newfoundland and Labrador has committed some \$500 million to that project, to the asset life extension project and to the continued delivery of that project. I have to say, I think it is a tremendous investment in our offshore, in that particular project. It pretty much will cover the cost of the asset life extension. It's less than 100-million barrels, but there are around 80-million barrels still left to be developed in that offshore, plus any other tiebacks or any other discoveries that could be made. I encourage the investors in that project to take advantage of this opportunity to utilize the \$500 million in investment that Newfoundland and Labrador is prepared to make.

It may not be the right decision for Newfoundland and Labrador to take an equity stake at this point in time. Our financial considerations, there's a big stake to be made. I think the Premier did an incredibly good job of laying out the reasons why we would not take an equity stake. But that is not the same for the major oil companies who have already, Mr. Speaker, reaped the benefits and rewards of that project and will continue to reap benefits and rewards of that project.

There are close on 100 million barrels of oil in the environ of that project that I'm sure with new technologies and with new discoveries that project will be here for many, many years to come. I know that they're probably listening this morning, Mr. Speaker; I encourage them to make those considerations, to understand that we want their development here in Newfoundland and Labrador. We want them to continue and we want them to accelerate their exploration. We

want them to accelerate their discoveries. We want them to accelerate their projects.

We are very supportive of the oil and gas industry. We want them to continue to grow and prosper because it grows and prospers the people who work in the industry and it grows and prospers Newfoundland and Labrador. It helps us to invest in our schools, in our hospitals, in the best quality of life for the people of Newfoundland and Labrador.

There's nobody in this House that does not stand with Newfoundland and Labrador, does not stand with the workers, does not stand for oil and gas. I believe that everyone in here certainly wants to be part of the future for the Province of Newfoundland and Labrador. That's why we've continued to invest, I think, another \$20 million in the budget for continued seismic work by our oil companies, Mr. Speaker.

There's the accelerated Exploration Initiative that provides companies with the incentive to drill more wells. We have monies put aside for the supply and service industry; some \$32 million I believe the minister said a little earlier, coming out of the money that we received from Ottawa to support the industry. There's \$6 million from the Innovation and Business Development Fund. There's a tremendous investment by the people of this province to grow our offshore oil and gas industry. We may not be able to take equity at this moment, Mr. Speaker. This may not be the right project for us to take a huge portion of equity, but I think the oil and gas companies can see how serious and how encouraging we are to their growth and development, because it is growth and development for the people of Newfoundland and Labrador.

I'll again remind the industry that the conditions today at roughly \$70 a barrel for Brent crude are roughly the same as when the asset life extension project was announced; roughly the same dollars per barrel they're receiving for the oil. Plus the Province of Newfoundland and Labrador, with their partners, the federal government and their offshore oil and gas industry, are prepared to put \$500 million on the table as well. I think it speaks volumes, Mr. Speaker, that we are prepared to move in this direction.

I've heard a bit this morning opposite about abandonment. Well, let me remind everyone that abandonment only occurs once the plans are accepted by C-NLOPB, and we're a long way from that. So I'm encouraging all partners of Terra Nova to come together to take advantage of this important offer that Newfoundland and Labrador have on the table to ensure the continued growth and development of the Terra Nova Project and to ensure the continued growth and development of our offshore. I encourage that.

I encourage us all to continue to support oil and gas. I am encouraged, Mr. Speaker, by the fact that we have such strength within this industry in the province, such an incredibly strong and skilled and readily available workforce. The fact that we have the offshore oil in Newfoundland and Labrador, the fact that we have low-carbon intensity in our offshore oil, the fact that we have produced, up to this point, some 26 per cent of Canada's conventional light crude oil – 26 per cent. I'd like to see it go higher.

Our conventional crude light is phenomenal. There are some 6,700 people employed, or there were. Up until COVID, there were 6,700 people who were gainfully employed directly in the oil and gas industry. We'd like to see more. We think there is a healthy future here. We have not only a robust industrial and supply servicing capability, the availability and location is good for our future fields. We've seen good discovery offshore Newfoundland and Labrador.

So I say stand strong, all of us together, to grow this industry, to reap its rewards, to continue to grow Newfoundland and Labrador and to continue – I say, Mr. Speaker – to work together for Newfoundland and Labrador.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

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

**J. DINN:** Thank you, Mr. Speaker.

Mr. Speaker, to me it's about supporting oil and gas workers or the workers of this province. In the House on Thursday and today, we've heard

talk about – and I know it’s a form of shorthand but – supporting oil and gas. It’s not about me supporting oil and gas, it’s about supporting oil and gas and workers.

What I’m about to say is to look at the whole notion of transition; not an immediate transition out of oil, but we have to start having a plan, if we are going to protect workers and if we’re going to be fair to workers, their families and the communities which depend on them.

Just out of curiosity, in 1964, would anyone in Newfoundland have imagined our province as an oil-producing province with an oil industry that is surpassing the value of our fishery? Or that we’d have a gravity-base structure located over 300 kilometres off our coastline? I didn’t, I was five years old. I certainly didn’t, but we know that Hibernia was in production by 1997. That’s 24 years ago. Now, we’re having this debate; not about Hibernia, but about another project.

In 1964 – what’s significant about it is – a university professor, Hugh Lilly and fellow diver, John Snow, were part of the first diving expedition to the bottom of the Grand Banks to collect samples and data about its terrain, geographical research. As I said, that’s 1964. A plaque to honour the dive was eventually placed down there on the Virgin Rocks. Up until then, no biologist, geographer or geologist had set foot on the Grand Banks.

A remarkable story, even more remarkable because of how he obtained the funding to do so. Memorial University thought the expedition was a waste of time and no one else seemed interested in the idea, certainly not oil companies, but Premier Smallwood, at the time, did fund it.

Why is it important? Because it probably led to the discovery of oil. Oil companies weren’t interested in the Grand Banks; roughness and other challenges made it impossible. But when oil was discovered, and they did discover elements of it there, that we might say, the rest is history.

It’s a story about transition because prior to 1964 no one would have imagined Newfoundland and Labrador as an oil-producing

province, yet here we are, we’ve transitioned into one. Here we are facing another transition. I think we’ve got to be ready for it. We’ve got to have a planned, slow, well-financed one that looks after the workers.

Oil will not go away tomorrow. It will not go away in the next 10 years, but there are clear signs that it is on its way out as an economic engine for the country.

If indeed there is a tide in the affairs of men, then we’re at such a point right now. If anything, we need a transition plan that is fair, that is just, that is supportive of workers and communities.

I’ve heard my colleague from Grand Falls-Windsor - Buchans speak eloquently about the fear for the future, whether the people are going to be able to pay their mortgage, put food on the table, to have their children in programs. He’s hit the nail on the head. Whatever we do, we do to protect the workers of this province, the people of this province not the oil and gas companies.

Do we accept the reality of climate change and the need to reduce carbon emissions and transition to a green economy? I haven’t heard one person in this House of Assembly say otherwise. I haven’t heard one Member deny the catastrophic consequences if we do not reduce our emissions to net zero by 2050. It’s not a joke. However, I have also heard it said that there is still a demand for oil, and we have some of the cleanest.

Now, last week, the news clearly demonstrates that while oil may be with us a while longer, it won’t be that much longer or as long as we might think. The time to transition from oil is here, if we’re going to protect the oil and gas workers and our communities.

In the end, if our oil is in such high demand, really we would not need to put anything up for it. It would be a commodity sought after by companies on its own.

In today’s briefing, we heard a few of the details, and I’ll apologize if I get some of them incorrect, but here’s what I heard: The royalty offer of \$300 million, a significant amount by the province; there is more downside protection

to protect owners but there are upside opportunities for the province, but notice the first one was protection for the owners; oil forecasts are all over the place; marginal returns on equity investments; each company makes decisions based on profitability and risk; and the project was uneconomical under the current royalty regime.

Now, here's the thing: Do I support the notion that we need to be putting more money into oil? No. I think we've done our share. Here's the thing: We are busy attacking the government at this point. And I can tell you, yes, there will be times when you will deserve every bit of criticism. But why are we not lambasting multinational oil companies?

**SOME HON. MEMBERS:** Hear, hear!

**J. DINN:** As the Premier has noted, they have made some \$361 million in the last quarter on Newfoundland's offshore. They are the ones walking away. Now, I don't know in the art of the deal, but once you start begging cap in hand, you've lost all bargaining power.

What are they doing? They're protecting their bottom line, their future and the interests of their shareholders. The workers are certainly not top of their mind. That's what they're looking at. They're obviously seeing that there is a lot more risk in this than they're willing to take on. They are. They're already seeing the writing on the wall, as it were.

I'll say this, because we've been, as Newfoundland and Labrador, as a province and as a country, at one time when we were independent, as such, we've been through transitions. Look at some facts according to certain statistics that Canada wide 33,000 jobs were lost in the fossil fuel industry between 2014 and 2019, and 20,000 lost during the pandemic. That's a significant amount. There's your canary in the coal mine, as you might say.

If you look at some statistics, I guess, one time, 40 per cent of Canada's revenue or GDP was from agriculture. Today, it's 1.5 per cent. Post war, 1948, 21 per cent of the workforce was made up of women. Today, it's 48 per cent. We have undergone significant challenges and changes and transitions in our history. Our

economy is prosperous. I'll be making my point in terms of we need a transition plan.

We watched in Newfoundland here, God knows, I taught on the Southern Shore and every time a school was closed, it was the death knell of a community. The Southern Shore, where I spent half of my career as a teacher, that I loved dearly, you can see the ravages. The cod moratorium is a perfectly good example of that.

Now, I taught in Trepassey in 1981, that place was booming. It was booming. As a teacher, I was definitely making the least amount of money of the lot. It was booming. If you drive up there now – if I remember correctly, the schools had some 500-plus kids in it. It was a happening place. You go up there now, it's 25 students from K to 12. That's what's up there; it's a shadow of itself. It was hard to watch.

I was never in the fish-harvesting business. I had a lot of respect for the people who were in the business. I was a big fan of listening to *The Fisheries Broadcast*. I don't know how many times I'd listen to fish harvesters talk about problems in the catch rates, that there was something going on. Then the fishery was closed and we were thrown into chaos. We were left scrambling.

Now, there were signals that there was something going on, that we should have had a plan in place. It devastated communities. I'd say it devastated Trepassey. It devastated people's lives. People were forced to transition. You could not make a living at fishing. I would say that the fishery today is certainly not what it was pre-moratorium.

The railway is another one. My dad worked at the railway. He retired a year before the railway was shutdown. My daughter was a year old when the announcement came that they were closing the railway for good. I can tell you that long before the railway was closed, we could see the signs that its time was coming to an end, that there was going to be no more support and that people were going to lose their jobs. My dad, fortunately, he would have kept on working there a lot longer.

I would say that given the chance – I often think of it – maybe if the railway had gone on, maybe

that's where I would have worked. Who knows? Our parents were very much focused on getting us an education. When I went teaching up the shore, there were two people there who worked at the railway. They were teaching. They had transitioned out of it years before because, I guess, they could see this was not going to be the life; it didn't have the longevity.

We don't have a railway anymore. We have bits and pieces there for a museum, but was it a positive? Was it the end of the province? Was it a drawback? One thing is for certain: There was a plan in place to transition people out of it. Those who could retire were retired; those who were young and had young families and needed the work, you find a way to transition them, but that transition came.

My concern is that if we carry on without a transition plan, there will come a point when the oil production will not be the economic driver of Newfoundland and it will be too late. Right now is the time to start that plan. I'm not talking about shutting down the oil industry. We know it's going to be here. Right now, more than anything else, if we're going to put money into something, I'd rather it not be oil companies; I'd rather it be the workers.

I understand that oil workers love the job they do. I loved the job I did. My dad loved the railway. There comes that point that those who maybe are in a position to retire can so that we can start protecting the livelihoods of those who need this and for those who wish to retrain, but it has to be that gradual plan. That's all I'm saying here.

The fact is, the world is turning from oil. I would suspect it's not going to be in a linear fashion; it's going to ramp up as technologies come on stream: the use of hydrogen fuel, the use of greener forms of making concrete and so on and so forth. We've seen it already. You just have to think a couple of weeks ago with Royal Dutch Shell, the court decision in the Netherlands, the overthrow, I guess, or the upset of the boards of directors for Chevron and Exxon.

We see it coming. Let's be ready for it. If we're going to put money up, it's commendable to protect the workers, not commendable to protect

the bottom line of the oil companies, because it has to be about the people of this province, pure and simple. I think we need to start looking at this now as a huge opportunity to create millions of new jobs and boost the economy. That's nationally, of course. The federal government has to be onside in this. If we're going to transition energies – and it's coming – it must be fair and inclusive and it must not leave anyone behind because, in the end, the transition is about people.

If anything, if we're looking at it in broad strokes, Mr. Speaker, we have to commit to a long-term phase-out of fossil fuels. I'm not talking, again, that we're looking at shutting down the offshore, but we have to start planning for it now. The writing is on the wall. What does that mean? Look at the advances in green technology. Whether it's in electric cars, whether it's in the use of cladding on buildings to create photoelectric energy, whether it's the use of hydrogen, it is coming.

I can remember teaching at Holy Heart – I think it was around 2000 – and looking at a person walking up Bonaventure Avenue with a cellphone up to his face and how unusual that was. Yet, I'm willing to bet that everyone in this building here, in this room, has not one, but two cellphones.

**AN HON. MEMBER:** (Inaudible.)

**J. DINN:** Got one. You are fortunate.

Some may even have three. There's probably more power on this here than what got the Apollo astronauts to the moon.

We have to look at staging transitions over time because changes to how we use energy will come. We have to facilitate labour mobility within the industry. Again, it has to be fair, just; it has to be worker-based.

Yes, that might, indeed, support skills training. It's also going to mean protecting the incomes for affected workers. You cannot have it come to a sudden stop and have people thrown out of work. In that stress, that anxiety, you have to protect the workers here who have given so much to this province.

We talked about diversification of the economy. Well, we have to start looking at it. If we are indeed the green powerhouse of Canada, then let's have that discussion around it. Whether it's the addition of more generating power to Churchill Falls, whether it's about how we get the best bang for the buck out of other hydroelectric developments – yes, even Muskrat Falls – to make sure we get what we deserve out of it. But whatever it is, we must make sure that in any transition plan the workers, their families, the people who depend on them and the communities who depend on them are top of mind. It won't be overnight but we need to start now.

As far as I'm concerned, when it comes to this, if there's any blame here, if anyone stands to make a profit, it is these companies. They are not our friends. I don't care how many not-for-profits they donate to, there is a bottom line to this. Our job here is to look after the citizens of this province, the workers of this province and to make sure that when it starts, the energy transition – that our workers, our people, are looked after.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER (Warr):** The hon. the Minister Responsible for Indigenous Affairs and Reconciliation and the Minister Responsible for Labrador Affairs.

**L. DEMPSTER:** Thank you, Mr. Speaker.

I'm going to weigh in and speak for a few minutes on this very, very important debate that we're having here this morning as we talk about Terra Nova and the money on the table from the province and the workers, Mr. Speaker. So far this morning we've heard from our Premier, who I thought did a very good job of outlining his genuine concern for the people of the province, outlining his interest in certainly helping the workers and the families who are top of mind for all of us, but also outlining the responsibility that we have to all of the people in this very small province, in this fiscally strapped environment that we're operating in.

We heard the Minister of Industry, Energy and Technology, Mr. Speaker, outline the tremendous efforts that have been taken over a period of time to work with this company to find a solution that would work for everybody. We heard the Finance Minister – who I believe did a very stellar job – talking about the things we still have to be hopeful for when it comes to oil and gas.

Labrador, where I come from, Mr. Speaker, is up for bid this year. I'll try not to reiterate anything that's been said already here this morning, but the 60 billion barrels of oil that we already know of through seismic discovery. So I believe these are things that certainly give us much to be hopeful about.

Mr. Speaker, these are difficult times for the families and the children impacted. No matter what side of the House you sit on, everybody knows somebody. Everybody has family; everybody has friends that will be impacted by this. Some of us have been around long enough that we've seen decisions made that were not informed decisions. We've seen the impacts on all of our families. I go back to my early days in the House. We can't change the past. I say it often and I've heard it often: We can't change the past, but we have to learn from the past.

Muskrat Falls happened in my backyard. I can tell you that we are still seeing the impacts of Muskrat Falls, at the time a project that was sanctioned and sold to the people of this province as a bill of goods for \$6.6 billion. We're well over double that and the project is not finished.

I did an interview this morning, Mr. Speaker, on a very difficult situation happening in Lake Melville: social issues, homeless, transiently homeless. If you're on the ground up there, many people will tell you that there have been negative impacts leftover from Muskrat Falls that we're still seeing today. We saw people with good-paying jobs that had to leave – that had to leave that community. They couldn't afford to stay there – cost of living.

We saw the Town of Happy Valley-Goose Bay that didn't even get a share of the impact agreement. We saw a decision made where the UARB in Nova Scotia had the luxury of

deciding what would be the best decision for them, with Emera with that line, while our own PUB here in this province was kicked out of the decision-making process, Mr. Speaker.

Every day we discuss issues in this House. Just this past weekend I had folks reaching out. They needed extra resources around for RCMP support. I was told they're needed all across the province.

Myself and my colleague for St. Barbe - L'Anse aux Meadows were dealing with heavy health issues all weekend; folks that need more money, Mr. Speaker. Every day in the House, somebody mentions roads; 10,000 kilometres of roads in this province and we don't have enough money. At the end of the day, we sit – some of us – around a large round table and we have to make the best decisions that we can for the people of this province, the place that we're so proud to call home as well.

Would we like to be able to say yes to every request? Absolutely, we would, but we take an oath. Even as an individual – I've been in this House and on this team that I've been on now for almost eight years. Often, personally, I might make a different decision, but I've taken an oath to make the decision that is the best for all people in this province. Sometimes they're very difficult decisions, Mr. Speaker.

I think back to 1992. I spent 23 years as a career and employment counsellor, overseeing a number of offices along the Coast of Labrador, up and down, in a number of communities. We went through a very tumultuous time in 1992. I saw grown men, big, strapping men, sit in my office and shed tears because their way of life was stripped from them. They couldn't see tomorrow. They didn't know where the next money was coming from. A group of people, Mr. Speaker, many of them did not even have a high school education, just because they grew up, they went in the fishing boat and you earned a good living.

We worked with those people, Mr. Speaker. Just like Ottawa has been supporting us through this pandemic, supporting us with the downturn in oil and gas, Ottawa worked with us then. We're pleased to have those relationships. Many of those fish harvesters, some went back to school.

They transitioned from an inshore fishery to bigger boats, to 34' 11" to 65-footers. They went through a very difficult time. That transition was not easy, but many of them are doing very well today and, certainly, financially probably make more than most of us that are sitting around in this Legislature.

So I share that, Mr. Speaker, just to say change is hard, uncertainty is difficult. At a time with a province so fiscally strapped, at a time when the need is so tremendously great, I believe that led by the Minister of Industry, Energy and Technology and the Premier, and supported by the Minister of Finance, the Treasury has gone as far as they can go.

I, too, received a number of emails this weekend and not one email, Mr. Speaker, asking why haven't you put more. Why haven't you gone out and taken that additional risk of buying a stake in equity. Instead, the emails were around 85 per cent of this project is done. Wait until you get the best deal. The oil is in the ground, it's not going anywhere.

I also sort of got attacked a little bit from some folks that said: Where did the government get a half a billion dollars to put on the table for a few families when you're asking us to cut, cut, cut right across departments? So there are all different views. I'll tell you now as a resident of this province and as somebody who hasn't been serving this province for a number of years, my heart goes to the people impacted. I've worked for more than two decades with people facing uncertain times that became unemployed, that we needed to help transition to employment; some just connecting them to related labour force, some that needed to go down the road of retraining.

Mr. Speaker, one of the things that make this hard, make it not so palatable is the fact that we want to help the people of the province, but we're talking about companies that have turned – I believe it's \$12 billion collectively in royalties. We're talking about some of those senior people that make multi-million dollars a year in salaries, Mr. Speaker. I think the question that everybody in this Legislature needs to ask themselves today – all of us, there are 526,000 people in this province, 40 seats in this House; that's a collective voice representing



those people. We need to ask ourselves: How much are we prepared to risk? Let's take it down in simple terms to a family. You have your pay come in for the month and you pay your groceries and you pay your mortgage and you got a bit of money left over. What are you going to do with that money? Do you want to plan a trip? Do you want to go out to a restaurant? You can live a certain way.

If you've got a little bit of disposable cash, you can make those decisions and they're not going to hurt other decisions, but with a province that's fiscally in the situation we're in right now – I heard a number of speakers across the floor this morning, Mr. Speaker, and I respect them all. I respect the hon. Member who's right across from me when he talks about his passion is clear for oil and gas. He knows oil and gas. We all bring collective experiences to this House.

I'm sure that I can speak to experiences that might be different from other Members in this House. But we all want what's best for the people of the province. But what I didn't hear was how much is enough to risk. Nobody said, we've got the \$500 million; let's take the 15 per cent equity. Let's continue to gamble at this end-of-life project.

All of us are looking to Alberta. I have a sister in Alberta that I haven't seen since 2019, and I hope that changes soon. I hear from my sister, who's running a business – actually, she's really butting the tide because she just opened a second business over the weekend during this pandemic. Tremendously proud of her.

Nobody is very proud right now in Alberta I can tell you, Mr. Speaker, over what happened with Keystone and the taxpayer's dollars that were put into that project that is now defunct. We can't change those. We weren't a part of those decisions, but we have to learn from those decisions.

How much are we prepared to risk and how much are we prepared to gamble from a province that is already fiscally strapped?

I also think it's important today for families that are impacted and wondering where to turn; we need to talk about hope. The Minister of Finance did a great job outlining many things to be

hopeful for. I look to the area where I come from in Labrador. I say it every day. I believe Labrador is going to play a tremendous role in the economic recovery of this province.

I look down at my colleague who represents Labrador West, and when we were up and toured that mine back in November. One of the things that stuck with me was the folks on that bus that day that said the more we mine, the more we find. Good things happening in your area, Mr. Speaker, with mining. In Lab West we're about 50 years out. Vale up in the Northern tip of Labrador going to 1,700 jobs as they move underground, and I think about 950 people there – last count I got – on site right now. There are things, Mr. Speaker, to be hopeful about and we all want to make the right decision. We have a responsibility to the people of the province – to all the people of the province.

I heard somebody mention on the other side this morning when they were speaking about nanny and poppy and the future of nanny and poppy. I think when I leave this House, if there's one thing I'm remembered for, I hope it will be how many times around our tables that I've mentioned Aunt Millie and Uncle Joe. I get a lot of smiles about that, but I genuinely care about Aunt Millie and Uncle Joe.

I was raised by my grandparents when they were well into their senior years. I was number 12 that joined that family. They took me in at the age of four and I had a very good upbringing. I can tell you right now, as someone who's been the minister in a large social department for 3½ years, and recognizing that we have the most rapidly aging province in this country. We have seniors that are struggling every single day. We have Members opposite that raise issues in this House every single day about the seniors are struggling, Mr. Speaker. They must be watching today, saying: You want to give a half a billion dollars to companies that have just turned \$12 billion in profits collectively? They must be shaking their head because they're thinking how much they could do to improve their own quality of life with that addition of money. I just share that because no decision that we make is in isolation.

As departments we don't work in isolation. Every one decision impacts another decision, Mr. Speaker. On Muskrat Falls, they say let's not talk about it; let's bury it, but we are still feeling the impacts of Muskrat Falls. We see it every day on the ground. I say it again: We can't change the past, but we can learn from it. The memories are still very, very fresh for me. I could talk all day on the impacts of Muskrat Falls.

Mr. Speaker, the project isn't dead. As the Minister of Industry, Energy and Technology has outlined multiple times, the deadline is not ours. The Government of Newfoundland and Labrador is still at the table. We want to support the workers in oil and gas who've given so much and they've sacrificed much. The Member for Grand Falls-Windsor - Buchans is not wrong when he talks about the sacrifices they've made.

Many of us who've travelled for years and you're coming back from flights across the country, when you get to Toronto, you'll see familiar faces. They are people that have been away. They are people that have missed years of their children's lives growing up because they've made that move, that sacrifice and they've come back and, yes, they have contributed to the economy of our province. We appreciate them. We appreciate the work they've done. With some of the information that's already been put on the table here in this Legislature, we hope we are encouraging them to know that there is still future in oil and gas in this province, even as we move to talk about things like a greener economy, like the Atlantic Loop and like the future that's still there in mining.

I'll just close, Mr. Speaker. I just wanted to weigh in and say, as a minister, you make the best, most informed, responsible decisions that you can on behalf of the people of the province. We have a duty for that. We went through very, very difficult times with some past major projects where decisions were not informed. It was a Liberal government, Mr. Speaker, that led the longest filibuster in this history. I believe it was 84 hours. A filibuster because we felt so strongly. We were compelled that the road the PC government of the day was on was wrong. At the end of all of that, Mr. Speaker, at the end of all of that they invoked closure, shut it down

and the project moved ahead. It was a terrible deal.

When I say we're fiscally strapped in this province, the Finance Minister – and often when I leave late, her vehicle is still there, and especially leading up to the budget. Because as a government they, we, are grappling to fill a \$600-million gap. Annually, \$600 million has to be found to keep the lights on in the homes of the seniors in our nooks and coves and crannies and rural parts of the province. That's what's keeping a lot of people awake here at night in Newfoundland and Labrador, Mr. Speaker. It's not the CEO down the road for some oil and gas that's making \$3 million.

We support the oil and gas, but many people like me don't understand why they could not, collectively, work out some sort of a commercial deal. Why take a small province of half a million people and a Treasury that is absolutely fiscally strapped, doing everything we can to protect the people of the province – why couldn't they come to a deal commercially?

All that aside, kudos to this government for being willing because they care about the families connected with Terra Nova; they care about the hard-working women and men; they care about the future of those children.

Five hundred million dollars was put on the table, yet there was a pushback. What about equity? What about the risk? The risk is too big for us, for our multi-billion-dollar companies, but why doesn't the Government of Newfoundland and Labrador take it on? That would not be called being fiscally prudent, Mr. Speaker. We can't do that. We can't do that. We are still living under bad decisions.

Mr. Speaker, I just want to say we will be there. We will be there for those people and support them and walk with them through this very difficult and uncertain time right now. We absolutely will be there. We are all genuine when we say that. However, we can no longer afford to roll the dice and gamble with the people's lives, the 526,000 people in this province, because this is one issue, as a government, we are finding our way through; likely the most challenging time that Newfoundland and Labrador has ever known.

We have many, many people coming to us and many important and difficult decisions to be made.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER:** The hon. the Member for Stephenville - Port au Port.

**T. WAKEHAM:** Thank you, Mr. Speaker.

I first want to start off by simply saying that those of us in our caucus on this side of the House are not doing this because we want to support the oil industry and the big companies. We are doing this simply because we want to support the people of Newfoundland and Labrador. At the end of the day, if there is no economic benefit for the people of Newfoundland and Labrador, then so be it. That's where the crux lies. Is there benefit or isn't there a benefit? Are there direct benefits? Are there indirect benefits? We don't know. Because, at the end of the day, unfortunately, we don't have all of the information.

There's an old saying – some of you have heard it before, I'm sure – that says in God we trust; everyone else requires data. With all due respect to my Members opposite, I'm going to keep asking for data. I recognize that the NDA puts a handcuff on a lot of information that may or could be provided. But there's been a lot of numbers thrown out, and we did have the benefit of a presentation this morning for approximately half an hour, and coming out of that we were able to ask a few questions.

One of the questions that I did ask was: What was the marginal? He basically said in his answer that they had a marginal rate of return on equity investment. When I asked him to define marginal, he, again, looked at the lawyer in the room with him and said: I'm really not allowed to say anything because of the NDA in terms of defining marginal. When I talked about it and asked further about the direct benefits of the project, they did not have any information to give us, but they did refer us to the Noia report, which I found interesting that he actually would suggest that. I'll quantify that because he said: Outside of the number on royalty, the rest of the

Noia report is accurate. So I'll get to that particular piece in a minute.

The first number I want to address, I guess, and get some clear understanding on is the \$500 million. Now, I'm reading that the \$500 million – and I'll break it down in large numbers – \$200 million of that is from the federal fund and \$300 million is a royalty regime. Now, Minister, I would like to know if the \$300 million is supposed to come out of this year's budget or is the royalty related to the royalties that we would receive if the project was to go ahead. Because the reality of it is, if it's the latter and the project doesn't go ahead, you ain't getting those royalties anyway, and so you haven't really lost anything to begin with. When you talk about a \$500-million investment, the \$300 million, if it's based on royalties you're going to get if the project goes ahead, it's not impacting your budget for '21-'22.

Again, I don't know if the multi-year targets that the Minister of Finance has identified in her Budget Speech include any royalties from this project. I would expect not. What I do know is there is \$462 million in increased revenue from offshore oil royalties in this year's budget. So oil is playing a significant factor in allowing us to once again reduce our deficit. Now, that's a \$462-million increase over last year. So we've counted on oil and we're continuing to count on it.

Another chart in her Budget Speech talks about the oil price and the exchange rate forecast. Again, when we look at the book, it basically tells us that their budgeted price for oil in '25-'26 is \$61 a barrel. So that's what we're basing our multi-year targets on. Again, is this project viable at \$61 a barrel? Because if it is, one would think that they'd want to keep the life of the project going. Again, you know, we talk about a 10-year period, and there are risks as to whether or not they would shut it down before the 10 years are up. Again, that is based on our own assumption that \$61 a barrel for oil and whether this project is viable at that number.

If I go back to another number – the \$500 million, I'm struggling to understand what our commitment is or our risk is. If it is \$200 millions from the feds and \$300 million is from royalties that we won't get if the project doesn't

go ahead, then there is nothing in our '21-'22 budget or in any of our multi-year target that reflects that cost.

So, again, I think just clarification on that at some point would be great to understand that a little better. Again, perhaps I'm wrong and I'll apologize if I am, but without a lot of data it's hard to know.

There is also talk about the billion dollars that it's going to take, basically, to shut this thing down at the end of the day. That abandonment cost of the billion dollars, that's for the total project. That's what we're led to believe, it's the total project. It's not the cost to the Newfoundland and Labrador government, it's for the total project. Again, without knowledge of what was actually on the table, if we have a 15 per cent equity stake, then that would equate to \$150 million. So that would be our share of that abandonment cost if it stays at a billion dollars.

We've also talked about – I think the other number was \$90 million and I think that may have been the cost of actually buying the 15 per cent equity share; again, that's another number.

To go back to the indirect benefits and, as I said, the officials this morning and the Noia report, they alluded to benefits of “1,700 jobs and \$138 million in wages during the asset life extension ... 3,400 jobs and \$139 million in wages annually during its ten years of operation ....”

They went on to say, “provincial and municipal governments would receive a total of \$1.49B over 10 years, including \$880M in royalties, \$120M in corporate income taxes, and \$485M in other taxes.” Now, again, the \$880 million in royalties, obviously, if we're using \$300 million of that as part of the \$500 million, that comes off that number. Then I don't know, based on negotiations, how much is left or what's left in that particular number. But we do know that the salaries paid to our workers would be above average wages. We also know that the skills and expertise they have would be retained. We'd also know that it would send a strong message to the industry globally that we're here.

Noia believes there is a business case. Again, that's where I come back to the whole business

case of whether or not there is a business case or not a business case, because that's what it's seemingly coming down to: What is the business case for the people of Newfoundland and Labrador? And so it should. If, in fact, the business case is not there for the people of Newfoundland and Labrador, so be it.

Again, that's some of the information that we're not really sure where this is actually going. The reason I bring those up is because we've talked a lot about costs and potential costs of doing the deal, but now I've just shown you the costs of not doing the deal. If we don't do this deal, or this deal doesn't get done – sorry, let me rephrase that. If this deal doesn't get done, 1,700 jobs and \$138 million in wages during asset life extension and 3,400 jobs and \$139 million in wages annually during the next 10-year period – that's a lot of money. That's a lot of jobs.

Let's go back to the budget for a second. I just mentioned earlier that I don't think – and I'll wait to get confirmation from the Minister of Finance on the multi-year targets that she has in her budget. I do not believe the revenue numbers that she has in her multi-year targets includes any revenue from this project. I would expect it doesn't. Because of that, if Noia is correct – and, again, the officials at the department referred to me Noia's report – there is a potential for \$120 million in corporate tax and \$485 million in other taxes, not counting what may or may not be there in the royalties. Again, I stand to be corrected on that.

Dame Greene also referred in her report about a future fund. If none of the revenues from this project are factored into our next five-year forecast, is there a potential for us to take any of these monies that we are going to receive if this project were to go ahead and put them into a future fund so that at the end of the day, when the project is abandoned, we will have the money put away to cover that cost? If it's not included in our numbers now and there is a potential for significant dollars to come in in taxes, then putting them into the future fund, as Moya Greene suggested, might be a way of deferring that revenue until such time as we need it to pay down the abandonment costs or pay our share of the abandonment costs.

Again, those are questions that without knowing the intimate details of the agreements, it's hard for us to say whether that's been talked about or not talked about. It sure seems like, when you look at it from the outside in, there is an opportunity here for indirect and direct benefits associated with this project.

I can't get over the numbers: 1,700 jobs and \$138 million in wages during the asset life extension and a potential for 3,400 jobs and \$135 million in wages annually; \$120 million in corporate tax, \$485 million in other taxes. Again, if those numbers are not factored into our five-year multi-year targets, there's an opportunity to use those revenues to pay for any abandonment costs.

So my plea would be to government that you have said you're not walking away from the table; you're still at the table, but do not allow the oil companies to say that our government wasn't there. I know everyone in this House wants the same benefits for Newfoundlanders and Labradorians. We want Newfoundlanders and Labradorians to be the principal beneficiary of our assets, whether it's oil and gas, whether it's forestry, mining or the fishery.

At the end of the day, there is time. We've been told there still is time and we're still at the table, so let's take another look. I know you said you've reached the end of it, but I'd urge you to go back and take another look. There's nothing wrong with going back and having another look at it again. Readjust if necessary. See if there is anything else that may or may not be able to be done. Don't draw lines in the sand. Let's keep pushing. We've talked about the 80 million additional barrels of oil and, again, based on the \$61 a barrel, significant revenues.

Without having the privy of the data, I would ask the government to provide as much information as they can. My colleague talked about the non-disclosure agreement and I know the chances of them agreeing to it may be slim, but I think we should ask them anyway. I think we should ask the oil companies, if you want us, then let's do it. If you've already done it, great, and even more power to you.

At the end of the day, I think we really need to push the oil companies as hard as we can. I think

the Premier and the minister need to continue to make that effort and certainly see what needs to be done, because sometimes when we say we can't afford it, sometimes we can't afford not to.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER (Bennett):** The hon. the Minister of Education.

**T. OSBORNE:** Thank you, Mr. Speaker, and I thank the previous speaker for his comments as well.

Mr. Speaker, I firmly believe that every single Member in this Legislature wants what's best for Newfoundland and Labrador. That's the reason we ran and that's the reason we devoted ourselves to public service. There's no monopoly on wanting what's best for the people in this province and what's best for the future of the province. Every single one of us wants that. We may at times disagree on the approach or we may disagree on what we believe will get us there, but I believe every single one of us wants what is best for the people of this province.

We do need the jobs. I've heard some Members say we need the jobs. We've seen through the history of this province, Mr. Speaker, governments putting a lot of money into securing jobs and it hasn't always worked out for the best in this province. But we do need those jobs and we do respect the folks that go out.

It's not an easy job to be out on the oil platforms or the oil rigs. We've seen situations where people put their lives at risk when they get aboard the chopper and go out, so it's not always easy to be out there. Every person in this province, Mr. Speaker, will remember the tragedies that have happened out there. That has an impact on every single one of us. We recognize that as well.

It is a skill set we want to maintain here. For the Members who've said that, they're absolutely correct. It's a skill set we want to maintain.

I believe we have a very bright future in the offshore oil and gas industry, Mr. Speaker. I also

agree with those who have said we need to transition and we need to have a plan. My colleague from St. John's Centre said we need to have a plan to transition from this to whatever is going to be the greener energy, the greener future. We absolutely need that. We need to start planning that. We need to start ensuring that we transition.

But every product, almost without exception, Mr. Speaker, even these desks, the finish on them is probably developed as a result of the offshore oil industry; our bottles of water, the plastics; our telephones that we use; our computers. It's not just the vehicles we use or the planes we fly on or the ships that bring supplies in and out of the province.

I believe that we have a bright future. We know Bay du Nord, for example, has about a billion barrels out there. We know that our oil is cleaner than many other jurisdictions, in fact, probably most jurisdictions in the world. I think and I believe that as oil companies start focusing and planning to become, not just oil and gas companies but energy companies and focusing on what the next form of energy will be, part of that transition will be transitioning from areas where the oil is dirtier to areas where the oil is cleaner.

We will need oil for the next 20 or 30 or 40 or maybe 50 years, I don't know. At some point, we probably won't need it any more. But for the next number of decades, as oil companies transition into cleaner forms of energy, part of that transition will be transitioning into cleaner oil and getting out of the areas where they have dirty oil.

I believe Bay du Nord and other finds that we have out there, Cape Freels, that area, we've all heard the talk of significant oil deposits out there. So there is a bright future for oil and gas in this province.

As much as we need the jobs – and that's something that is weighed heavily, not only on that side of the House but on this side of the House, Mr. Speaker, because, as I said, we're all in this for what is best for the people of Newfoundland and Labrador.

When you look at half a billion dollars is what's on the table from this province, to protect this project and the workers on this project, the risky part really comes when you look at a 15 per cent equity stake. There are factors there, Mr.

Speaker, where, when you look at the fact that this project is 80 or 85 per cent of the reserves are already drawn, so you have 15 or 20 per cent of the reserves are there. If we were looking at the beginning of this project, maybe 15 per cent equity is not a bad thing. At this stage, Mr. Speaker, when you look at volatility of oil and the 15 per cent or maybe 20 per cent, if we're lucky, of life remaining in this project, the risk of oil spills and the cost of decommissioning this project, the 15 per cent is a risk that is perhaps too great for this province to take on.

Yes, I agree, we don't want to see those workers leave the province, and the risk is that some of them will; some of them have left the province.

I got elected here just after the collapse of the ground fishery, Mr. Speaker, and we saw 60,000 people leave this province as a result of the collapse of the ground fishery in this province. That is significant and it has significantly impacted in a way that's immeasurable; you can't measure the impact on this province. Even today, those 60,000 people were primarily the younger people that were involved in that industry, and not just that industry, but when communities went into decline, there were others in those communities that left who weren't even working in the fishing industry.

But they were primarily the young people, Mr. Speaker, because the people that were closer to retirement got TAGS, or whatever the case may be, and they just transitioned out of that industry. The younger people, those 60,000 people, when you factor in that our population, just prior to the collapse of the ground fishery, was nearing 590,000 people – we have 525,000 people here today. Those young people, the majority of them, left the province and had children elsewhere.

If the ground fishery didn't collapse and we had that, plus the oil industry, we'd be significantly more than 600,000 people in the province today. When you think of that in terms of the economic spinoff and what it would mean to the communities that those people left.

My colleague from St. John's Centre talked about Trepassey and the fact that it was a vibrant, bustling community during the peak of the cod fishery; 500 students in a school down to 25. The impact on that you can't even measure; what our economy would be like today; what our population would be like today; what communities in rural Newfoundland would be like today.

There used to be three fish plants in my district. One of them closed prior to the collapse of the ground fishery, the other two as a result. That's here in St. John's. You look at the impact here is significant, but you look at the impact on a place like Trepassey. There is no way to measure that.

We don't want to lose people from this province, and I recognize that argument as well. But to put a risky project where we have a \$15-billion debt – we're willing to – there's a half a billion dollars on the table here, but if the project goes sideways – some of the people that left this province, Mr. Speaker, it wasn't due to the collapse of the cod fishery: it was because of the debt the province faces and the uncertainty. They leave and have their children elsewhere.

So the impact of the debt on our population is also immeasurable, I would say. The impact of the debt on our province is immeasurable and the fact that the history in this province has been to buy jobs at all cost has put the province, in large part, in the debt that it's in.

While there's no monopoly in this House from any Member on who wants what's best for the people of the province and the future of the province, because I believe, with everything that I have, that every one of us – that's the reason we're here. This is not about politics; it's about whether or not the province can bear and withstand the risk of a 15 per cent equity stake when a project is 85 per cent complete.

My first thought on this was we can't afford to not invest or to take that on because of what it would do for the economy and what it would do to the population and people leaving. When you think about it, Mr. Speaker – a 15 per cent equity stake, 15 per cent of the cost of decommissioning, on top of the responsibility the province already has in decommissioning, the volatility of the oil prices and the risk

associated with we don't know how much return is going to come out of that project – the fact that we're putting half a billion dollars on the table, I think the people of the province, the taxpayers in this province, would say that is a significant show of support by our government.

Some would probably argue it's too much, but there's no way you can argue that it is not a significant show of support. To add the extra layer and extra risk of 15 per cent equity, that's the concern here, Mr. Speaker, and that's what we all need to think about.

Thank you.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER:** The hon. the Member for Mount Pearl - Southlands.

**P. LANE:** Thank you, Mr. Speaker.

I'm glad to have the opportunity to say a few words here this morning.

Mr. Speaker, I think, first of all, it's also important to sort of put what we're doing here in context, because I had somebody yesterday evening; we were having a chat and they were asking: What is this big emergency debate that we're going to be having? What is it that you hope would be accomplished? What's on the table here? I think, really, this is obviously an opportunity to raise the issue, to raise the concerns. It's an opportunity for government, as best as they can, to try to get their information out there and what they've put forward. It's an opportunity for Opposition Members to vent a little bit, perhaps. I'm sure there are going to be some politics at play on all sides as well.

At the end of the day, it's important to note there's no motion on the floor. I was a few minutes late coming in because I was actually in the briefing when the House opened, which was a bit bizarre, but anyway, there's no motion, to my knowledge, on the floor. We're not debating a motion. It's not like a piece of legislation before the House where you vote aye or nay on something that's going to actually change something; i.e., legislation. In terms of an outcome, there will be no outcome from this emergency debate in terms of the direction and

so on. Even if it was a piece of legislation, government has a majority anyway. It's important to just note that fact, but that doesn't mean we don't talk about it. It's an opportunity for everyone to have their say and input as to how they feel and how their constituents feel.

Mr. Speaker, similar to what the Minister of Education just said, I guess I want to reiterate those words. I really don't think there's anybody here in this House of Assembly that doesn't want what's best for our province, doesn't want what's best for our oil industry and, certainly, the workers who are going to be impacted, directly and indirectly, as it relates to this project. Not to mention the communities that are going to be impacted, directly and indirectly, depending on how these negotiations go. We all support that.

Though, from what I can gather in the briefing I did receive and based on what has been said, it does come down to the risk factor. I have to say in attending that briefing this morning – I certainly appreciate what the staff put together and so on; I understand their hands are tied – but it is kind of frustrating. To be honest with you, if there actually was a motion on the floor now I wouldn't know how to vote. To be honest with you, if there was an actual motion on the floor that was substantive and that would set the direction I don't think I would vote on it. I wouldn't feel like I'd be able to vote on it because I don't know any of the details, I don't know any of the facts and I don't know any of the numbers.

We can talk about risk, we can talk about the definition of – when we talked about how much royalties are available what was the word that was used? The Member for Stephenville referenced it when he spoke; I can't remember the term now. Anyway, the bottom line is – marginal, I think was the word. Marginal, there we go, he's giving me the thumbs-up.

They talked about how the project would be marginal in terms of the royalties and so on. But when we asked we could not get any sort of a definition as to what does marginal even mean. It becomes very difficult when you're talking about marginal returns, what you're giving up versus what you're going to get in return and understanding exactly what the risks are and

what those numbers mean, it makes it near impossible to make that judgment call. That's one of the problems that we have on this side of the House – a problem I have on this side of the House, for sure – that the government and Cabinet, I guess, in particular, they know all of the actual numbers, they know what has been put on the table by both sides and they know what has been countered and so on. We don't know any of that; we really don't know.

Then it comes down to, I suppose, as I said to the minister responsible for natural resources earlier, we kind of have to decide if we either trust you or we don't. That's really what it comes down to. Do I trust that they are doing everything they can and that they're making a reasonable decision? Common sense has to play into it, to some degree, and you have to say: Well, why would they want to stifle this deal? Why would they be against the Terra Nova Project getting up and running? What motivation would there be from an economic point of view or even from a political point of view?

I'm sure the minister of natural resources – and I know that's not the name of the department; it's changed and I forget the name – would like nothing better than to go before the media and say: B'ys, we've got a deal with Terra Nova, everything is up and running and things are going to be tickety-boo. Why wouldn't he? I would if I was in his position. I'd love to be the hero to stand out in front of the media and say we've got a deal. Who wouldn't? That's why, when I look at it from a commonsensical point of view, without knowing the information, it would seem to me that they at least believe what they're doing is the right thing based on the inside information that they have and that I don't have. That's what common sense, I guess, would tell me.

Now, I have to be honest, there is a part of me that is a little skeptical even on the commonsensical side of things because I know what happened with Muskrat Falls. When I had the \$6-million man and his accomplices coming in, giving us the information and telling us – I took them on their word – what we believed to be true, and we know what happened there. There is a little bit of skepticism, and I can't make that go away because I've been burnt. But I really have to believe, though, when I try to



balance it out, that they have the information and they would have no reason for this not to go ahead, to want it to go ahead, and I have to believe they're doing everything that they feel they can do and what they can reasonably do to benefit the province, our people, those workers who are out there on the step and the communities and so on that would be impacted. I really have to believe that.

So any idea of sitting here today and condemning the government and saying you don't care about the province, I just can't do that – and start giving people zeroes and everything else. I'm not going to do that because I really don't believe that's – I believe they want to do the right thing. I really do.

Now, am I concerned? Do I have questions around our federal government? I do, because that was one of the questions I asked at the briefing as well: What dealings have you had with the federal government? Is there anything that the federal government could be doing, that they could put on the table to make this work? I couldn't get an answer. So I don't know how close or how far apart government is with these operators. I don't know what the gap is; if it's a huge gap, if it's a fairly small gap.

I understand and I agree – we all know what a mess this province is in financially and we are strapped for cash. I think everybody recognizes that. I would also say that I've received a few emails as well. The emails I got, like government said, were more around I can't believe we're going to put \$500 million in, as opposed to why don't you put more in. It was that way.

But I wonder could our federal government be doing more. I wonder. From an ideological point of view, I really don't believe we have a federal government who is friendly towards our oil and gas industry. I would agree with my colleagues on this side in the Opposition, in particular, on that. That's just a feeling I get.

It is frustrating, I say to the Member for Grand Falls-Windsor - Buchans – I think it's called. I would agree with him. It is very frustrating when you hear about \$200 million going to a casino and we have \$280 million, was it? Or was it \$320 million – \$320 million in totality. For an

entire industry that has such a huge impact on our province, we got a total of \$320 million. My colleague is here saying now there were two casinos that got \$200 million each. That's what he's saying.

It is hard. When you hear that, it makes it very challenging not to be frustrated and perhaps angry to some degree, with the federal government, and to question could more be done and should more be done. The fact that we do have a Newfoundlander who is the federal minister for the oil and gas industry, you would think that the deck would be stacked in our favour in that regard. It makes it more frustrating.

I also realize that this has nothing to do with political stripe. We can beat up on our federal MPs and say, if they were Conservatives it would be different, or if they were NDP it would be different or whatever. The reality of it is we have seven MPs regardless of stripe. Ontario has well over 108 and Quebec has – I don't know, 60 or 70 or whatever it is.

Right off the bat, regardless of political stripe, you have seven people, seven Newfoundlanders here, and between Ontario and Quebec alone, they're looking across at about 170 or 180 MPs to seven. Regardless of political stripe, the system doesn't necessarily work well for small provinces and that's the reality. We don't have that influence; we don't have that clout, regardless of whatever political stripe is there. That's the unfortunate reality of Confederation with Canada.

It's been good for us; we've gotten a lot of good from them. They've taken a lot from us in terms of they've destroyed our fishery. There are a lot of bad things that have come with Confederation, but there has been a lot of good as well. They have been here with us for COVID-19 and so on. I appreciate all that. They have given us money for other things. I'm not knocking that. I'm very frustrated over the equalization; I think that formula needs to be changed. We're getting what we're entitled to under the formula but they should change the formula.

I question whether the feds could be stepping up to the plate here to broker a deal, to make this

happen, so that the Province of Newfoundland and Labrador would not be at risk. We're not in a position to be at risk. We just don't have the money, but they have the ability to do something. If they can give \$200 million to a casino, they can do a little more for Newfoundland and Labrador to save an industry that's going to present so many jobs and retain expertise, royalties and everything else that would come from it. I really have to question whether they are doing enough.

When you look at Ottawa, and like you say, whether it's the casino or I think about all the money that has been put into Air Canada and Bombardier. There was a story I can remember a few months ago where Loblaws, of all companies, and the money they were raking in. They were giving them money to buy new freezers or something for their supermarkets. They were raking in billions of dollars. Here they are giving them money to buy freezers and coolers and stuff for all the grocery stores out of federal taxpayers' money, but we're going to let our oil and gas industry and oil and gas workers potentially lose their jobs and everything else they have around them.

These are the things that make it frustrating. I'm not putting this on our provincial government. I'm not. I believe you're doing all you can and I know we're strapped for cash. I'm not trying to beat up on Ottawa because it's the politically correct thing to do and so on. I'm really not. I'm being sincere when I say I'm just questioning, when you look at all this other money that's gone into other things around the country – things that sometimes you have to do a double take and say, my God, did they really give money for this and the amounts of money for this. You have to wonder, given that, have they done enough for this province, for this industry? I think it's a question worth asking. I don't know. I don't know what dealings you've had back and forth with the feds. I don't know.

Another point, which I haven't heard in this debate, and I think it's an important one, is that there's also a thing called precedent. Someone referenced the fact that the oil and gas industry are all watching this debate and everything else. I don't know if they are or they're not. Maybe they are; maybe they're not. I'm sure a few of them are. There is a thing called precedent. I've

heard premiers over the years, whether they be Liberal or whether they be PC, talk about no more giveaways.

Premier Williams was famous for his no-more-giveaways thing. If I'm not mistaken – and I stand to be corrected here – but somewhere in the back recesses of my mind, I can seem to recall – I don't know if it was Terra Nova or White Rose, but there was an oil project at one point that we didn't do a deal on. I'm sure Premier Williams walked away from the table and said: No, we're not doing it until we get a good deal. A year later, they came back and we made the deal. I can't remember if that was Terra Nova, if it was White Rose or what it was, but there was some project that we walked away from because we weren't getting a good enough deal. We said there were no more giveaways.

I can remember Premier Tobin, I believe, with the not one more spoonful of iron ore – I think that was it, wasn't it? I believe. Not one more spoonful. We're not giving away anything. We're talking about the fact that we can't go giving away our resources. You hear it all the time.

I guess my concern on the precedent is if you make the deal too rich for this company in this circumstance, do you start giving up – we just renegotiated or offered to renegotiate the royalty regime to lower it, to give up \$300 million. Then if we're going to get into taking on equity stakes and full liability on a project that is already 85 per cent complete, then is that sending a message – I just ask – on Bay du Nord or any other projects that we're so desperate now that we're going to start giving everything away?

Now are these companies going to come in and say: Yes, you know your royalty regime? Yes, well, we want a deal like you were going to give to Terra Nova now. You're getting too many royalties. We need more money and we need you to take on more risk and so on. That could create a slippery slope as well, once you send the message that we are so desperate that we're going to just give everything away.

I think that is an important factor in all this. I feel for the workers and I would love for this to go ahead, and I hope it does go ahead, but you can't on the one hand say no more giveaways,

but on the other hand give everything away. That doesn't make sense either.

I would just conclude, similar to the Member for Stephenville - Port au Port, in saying to government, again, I don't have the details; I don't know exactly what's on the table. I don't know the offers, the counteroffers or whatever. I'm going to have to trust you at your word that you're doing everything that you can. I would just ask that you please continue to stay at the table. If there are other things that can reasonably be done, I encourage you to do it.

If the feds have not stepped up in any substantive way beyond that \$300-million fund and there is something else they could do to step up to make it happen without us taking on anymore huge risks, then I encourage you to continue to have dialogue with the federal government, with our federal minister. If there is a way to bridge the gap and make it happen, make it happen.

I would also say that, as I heard someone over there say, I would not be prepared to simply sell away the future, give away the future of our province; take on huge, unreasonable risks to get a deal just for the sake of getting a deal. As I said just a couple of minutes ago, if we're going to say no more giveaways, then we have to be true to that. We can't just give everything away either. It has to be a deal that's reasonable for all sides.

One thing we know about these oil companies, and any company I suppose, they're in it to make money. If there's money to be made, they're going to go ahead with this anyway. They're going to go ahead. Why wouldn't they? If they can make a ton of money off this, they're going to go ahead with it anyway. We don't need to sell the shop and give everything away.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER:** The hon. the Minister of Immigration, Population Growth and Skills.

**G. BYRNE:** Thank you very much, Mr. Speaker.

I welcome this very, very important and timely discussion about a very serious public policy issue facing our province.

Let me say first and foremost, our empathy and our concern are with the workers and their families, who are facing difficult circumstances. It is not easy and we appreciate and recognize that. We're doing all we can to make sure that the environment is better for greater prosperity, for greater security and greater hope for all affected.

Our empathy and our concern are with the workers and their families, but also our wisdom is with all families of Newfoundland and Labrador. Ours and our judgments are to be made for the benefit and for the considerations of all families of our province, those who contribute to the prosperity that we all enjoy, not only from their own labours, but as well from their hard-earned taxes, which are remitted for public services and public goods. These are the challenges we face to balance those very important considerations.

This is a lot of money. This is a matter that will affect many, many families. It will have a significant and poignant impact on the overall well-being of our province in two ways. One way, if the project does not proceed, of course, obviously we will be impacted by a reduction in royalties and a reduction in revenues. But the pathway we take to try to make it, to unshackle it, to unlock it and to make it happen is probably of greater concern because that pathway could be fraught with many, many, many perils.

While our concern and our empathy are with the families that are impacted, the wisdom that is required by each and every one of us is to not create an environment, not create a circumstance whereby every family of this province will be paying for generations for a mistake. That is the magnitude that we speak of today. That's why this debate is so important, Mr. Speaker.

I heard the hon. Member for Mount Pearl - Southlands speak of the paradoxes that he finds making a judgment difficult in this environment because he points out, and very rightfully so, that there are other projects, other circumstances that have been the benefactor of much money

whether it be Loblaws or casinos, even oil companies.

The fact of the matter is we can all draw reference to the fact that many, many companies throughout Canada have received very generous benefits to advance public policy, whether it be in the case of Loblaws – my understanding is that it was to reduce greenhouse gas emissions by having more energy-efficient refrigeration systems. Those judgments are left to others as to the practicality of that particular investment. The investment of the casino I'm not particularly familiar with.

I do know that the Government of Newfoundland and Labrador has in the past and will continue to make a very strategic, smart investments in oil and gas. But it has to be in reference to the best interest of the families and the people, the communities of the province as a whole.

I often think of the example that we're facing right now in Muskrat Falls and draw a comparison or a reference to the Terra Nova Project and the request by its operators, that the Government of Newfoundland and Labrador, therefore the people of Newfoundland and Labrador, obtain an equity interest in that particular project.

Well, with the reference of Muskrat Falls, it's very straightforward, Muskrat Falls has been described as an ill-conceived project. Much effort has been undertaken to investigate that expenditure, that project. A learned jurist, a judge, came forward and said it was a dog. One of the reasons why many people are asking for an equity stake to be purchased by the federal government is because it is a weak project. I think we just have to say that and say it out loud.

Muskrat Falls is fundamentally, its fundamentals, a weak project. We own it. We own a hundred per cent of it. It will be a project that will generate some revenue at the end of the day, but for the majority of its lifetime, it will be a dog. That's why a project, which we own a hundred per cent of, we want the federal government to take that ownership or some of that ownership away from us. Now, reflect on that for a minute. We own 100 per cent of it, but we're negotiating – some would argue begging –

for the federal government to take some of that ownership away from us and to relieve us of some of that burden.

Now, echo that from the point of view of the Terra Nova Project. We have operators that have made over \$12 billion. We have private sector operators that have made, to date, over \$12 billion from the Terra Nova find – \$12 billion – and, in fact, in 2021 the revenue is still in the billions, the profit margins are still in the hundreds of millions, but they are asking us to take an equity stake in it. Big corporate entities, the oil and gas industry, are saying to a government, something which often large companies abhor, they're demanding direct public sector management and ownership in a project which they formally owned – or currently own, but are hoping to jettison. Do we need to know anything more than that? There are risks associated with this particular project. By asking for an equity stake they are recognizing that the risk profile is no longer tenable. So, Mr. Speaker, the risk profile then becomes shared by us. That is the essence of the current impasse.

We, as a government, have offered and have put \$500 million on the table in a prudent, sensible investment and an offer to the private sector oil companies who have already made billions on this project to ensure that the families that are negatively impacted, the families who we are so gravely concerned for, have a reasonable opportunity to maintain and continue their standard of living, and for the community at large to also continue its standard of living. But when you consider the risk profile that is created by an expectation, which is very difficult for a government that is very cash strapped – in large measure, cash strapped because of Muskrat Falls and the sheer risk, the debt profile that it imposes upon each and every one of us – it is something we have to consider.

Mr. Speaker, I know that it's difficult sometimes for some Members to hear this, but it is an important part of the discussion because it teaches us. It teaches us wisdom going forward, because we all agree: No more resource giveaways. As the hon. Member for Mount Pearl - Southlands so amply articulated, he agrees with that as well and I'm sure many Members do. No more giveaways.

When we think of the history of Newfoundland and Labrador and we look at some of the giveaways, we need to learn from that and by learning from it we don't repeat it. Because, I tell you, my heart is with those families. When you put yourself in a position where you can potentially, immediately relieve that pain through a short-term action, not recognizing or realizing that beyond that moment of pure relief that comes from that announcement comes a whole new dimension of cost and future pain in the medium to long term, and you suddenly have to recognize that maybe you did not do the right thing. So, with that said, I would appeal to all Members to use your intuition to say that we will protect the interests of working families in this province and we will do so in a way that recognizes a couple of basic principles, no more giveaways, but at the same time be open for business.

When we look at some of the actions of the oil companies today we often assume that they don't always act in the public interest or the public good. Well, the truth is one of the major operators of Terra Nova also operate in the oil sands and they are currently modifying their investments to reduce greenhouse gas emissions. They have picked up on the notion that things in the oil industry have to change; otherwise, they will be unmarketable.

One of the biggest threats – and I think we'll all agree – is that demand for oil and the demand for fossil fuels, demand for gasoline, diesel, jet fuel and other products that come from it will still remain very, very high, but attracting investment will become more scarce. That's the core issue, why very large, multinational corporations are reviewing their investment portfolios themselves and looking at ways and means to modify their own business behaviours and their business plans because not to do so would be to risk future investment by institutional investors.

Well, in large measure, we have to do the same thing but for a different purpose. We have to look at our risk portfolio, look at what is required of us to maintain a strong, open-for-business approach and reality to attract new jobs to come to Newfoundland and Labrador in our offshore oil, but we also have to be prudent.

Mr. Speaker, when we look at the examples that have been before us already, we are anxiously looking for federal assistance on Muskrat Falls. We're very, very confident that the negotiations will bear fruit, will bear benefit for each and every one of us. But we also recognize that even Members of Her Majesty's Official Opposition are calling on the government to sell its shares, its equity in Muskrat Falls to limit risk, to reduce risk because the risk is so high.

The operators of Terra Nova – put it in a different seat now – who have enjoyed immense benefit from the Terra Nova, collecting billions and billions and billions of dollars in the past, are now recognizing between the refits to the FPSO, to decommissioning, to all sorts of different risks that now exist in an uncertain environment for oil, are now realizing themselves that the risk for their own interest is too high and they want to sell it to us so we bear the risk.

What else do you need to know? That's why this government and our minister responsible for the energy sector has led the way in making sure that the mantra, the often said slogan of "no more giveaways" is acted upon. Therein is the fundamental difference. Because as we all agree our hearts and minds are with the workers who have been negatively impacted and who face such uncertainty, but our wisdom must be with all families of this province.

Mr. Speaker, if you look at the history of another electricity project, the often spoken of Upper Churchill. The decision not to – and I don't know if it's even fair to say it was a decision – the conclusion not to put an escalator clause in place. If you look at the history of electricity generation, the electricity market in North America; 1880 was the dawn of electrification of North America with streetcars. Tesla and Edison producing new inventions to be able to monetize and to be able to produce products that were serviced by electricity. Then, of course, in the '20s and the '30s electrification ramped up with the construction of megaprojects, hydroelectric dams, whether it be the Hoover and the Boulder.

Then, of course, in 1954, the first nuclear reactor in the world was put into production by Russia followed by the US in 1957. The electricity market was growing, growing, growing, but, as

well, supply was growing even faster. The bottom line here is that electricity markets, there was no uptick in price in 100 years of any substantial consequence. There was no significant inflationary impact on electricity markets from 1900 to 1970, flat – supply meeting demand.

The notion that there be an escalator clause was somewhat unheard of. It would be a hypothetical, theoretical exercise, but, sure enough, without any reference to any sort of case study, there was a circumstance around the 1970s that caused electricity prices to dramatically increase. Nobody could have foresaw it, but it did happen.

With Muskrat Falls, the promise on Muskrat Falls was that there would be constant, steady increase in demand for electricity and constant, steady increase in price for electricity, above and beyond inflationary impacts. The reality, however, was very different and we should have known what the difference was at the time of sanctioning.

The difference was shale gas. Shale gas production had already begun, was already able to meet unsurpassed demand in the US market. The US now is basically fully self-sufficient in gas, oil and electricity for generations to come.

With that said, Mr. Speaker, you have a situation where we knew what the consequences were or we should have known through past actions, but a decision was taken back in 2011, I think it was, for sanctioning. Now we've arrived at a point in time – and, yes, I agree with the hon. Member, forget about Muskrat Falls. Well, just three months ago, the PC Party had a page in their Blue Book saying we need to sell off Muskrat Falls to whoever will buy it, hopefully the federal government, because it is a dog. It is a risk we cannot absorb.

Mr. Speaker, that leaves us where we are today. We have \$500 million. Money that would otherwise be used for health care, for education and for other public services, but we would like to stimulate the Terra Nova Project to be able to keep this going. We understand that – when I hear the hon. Member opposite – when we offer royalty concessions, that that's money that we forego over many years. So before they get too

excited over the words that I speak, we have \$500 million of value that we are prepared to offer into the Terra Nova Project.

The equity situation, however, is something that is a risk which cannot be overlooked. That's why, Mr. Speaker, I will close this off and simply say to the Member for Mount Pearl - Southlands: While you ask the rhetorical question you do not know which way you would vote, I believe you have already answered your own question.

Thank you very much, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER:** The hon. the Member for Lake Melville.

**P. TRIMPER:** Thank you very much, Mr. Speaker.

It's been interesting listening this morning. I did have a quick opportunity after our briefing this morning to go out on the steps of this Confederation Building to hear some of the passion in the folks that are assembled. They're worried about their futures, they're worried about their jobs and they're worried about their livelihoods. I, therefore, feel the first point that I want to make on this floor this morning, is that whatever we say here needs to be contributing to the problem that those people are facing out there right now. I feel so many of us have certainly been thinking about that.

I'm not going to belabour a lot of points, but I do want to make two more additional points around that. One is with a background of environmental sciences and my experience dealing with climate change and so on, I am challenged myself in terms of my own vision, what I want to say and do and how I can help influence this transition that we've all spoken about this morning.

I'm thinking back to the fall of 2016 when I was in carbon pricing talks with the federal government; it was a meeting of all the ministers of Environment. The prime minister and the minister of the Environment at the time stood on their feet at the same time and explained that this is how it's going to be in terms of pricing carbon

for all the provinces and territories according to the federal government.

Well, had we complied with that situation and that offer at the time, and had I not walked out of the meetings that I did a couple of hours later because there was no budging, there was essentially no recognition of – first of all, as I always want to speak about, in Labrador – diesel communities below 60 degrees latitude were not going to be exempt from that carbon tax. When you're sitting in an isolated community and you have no alternative option for energy, and the federal government is going to say that this is now going to be a more expensive situation for you and the province, that was unacceptable.

The other aspect of why we took such a strong position at those meetings was about the offshore. We have a relatively new industry. It's come on with the latest in technology, the latest in regulatory oversight. I believe that the companies that are operating here are operating to a much higher standard than you'll see anywhere in the world. At the time, for you to find efficiencies in the carbon pricing strategy that Ottawa was offering, carbon would have to be in excess of \$130 a ton. I'm not sure everybody can grasp these concepts, but I guess what I'm trying to say to you is that we already have a very efficient offshore in terms of the way it operates. The federal government at that time was talking about adding an additional financial burden.

I'm going to roll in on that point to – I think the next point I need to talk about is the fact that in terms of world production, Canada ranks around fourth in the world. China is right there beside us, the United States, Russia and Saudi Arabia. In terms of Canada's production right now, we the Newfoundland and Labrador oil and gas economy, represents about 5.6 per cent of the production. We are a very small percentage of the national total. I think so much of the frustration that we've having – and, yeah, it's good. I know Seamus O'Regan very well. I think it's good that he does represent the government. He's somebody that we know, that we can reach out; he's with this province.

But the challenge we have is we're 5.6 per cent of the total national industry. When you have – as the former minister of Natural Resources and

I used to talk a lot about – perhaps the cleanest oil and the cleanest extraction techniques in the world, we are, however, dwarfed by what are considered to be, unfortunately, perhaps the dirtiest sources of oil and extraction techniques in the world, and that is in the oil sands. That is so much of our problem is that consumers, when they go to the pump and you put gas in your tank, you don't ask yourself did that gasoline come from some of these clean fields where we're actually conducting ourselves according to the highest standards in the world. The oil we burn in our furnaces, does that come from a clean source?

Frankly, it's world markets and we are competing up against jurisdictions – and I have spoken much about. I'm just going to give you a couple examples, I think, just to wake everybody up a little bit here. I have worked and seen so much of what we're up against in Russia. It was the late '90s. I actually was involved in an audit for the World Bank looking at, at that time, what was probably, and probably still is, the world's largest oil spill in the Komi Republic. There was some 70 kilometres of pipeline over a series of breaks and it wasn't just one break. This was neglect that has built up. It was just not caring; it was just about being awash in oil and gas at the time.

I went in with other officials, working with the World Bank, and looking at an audit as to whether the spill was cleaned up. Canada contributed a lot of money at that time. That's when your eyes really opened. When I look at what I just spoke about a few minutes ago, the regulatory oversight of this C-NLOPB, of Noia, the standards that we excel at, that we ask our industry when it is operating in our jurisdiction to comply with and you're competing against a jurisdiction that, wow, it will just make you shake your head.

Here is another thing that some Members might find interesting. I actually went one time to Ukhta, and Ukhta was one of the largest gulags in the entire realm and regime of Mr. Stalin. What they did in Ukhta was called oil mining and guess what? It is still happening. Deep underground you inject water at super high pressure, and it pushes the oil out through all the fissures in the rocks. What you have as you walk along in the most amazingly disgusting air

quality you can imagine and the oil actually comes out of the rock and it collects in little ditches that walk along and you can see this stuff oozing out of the rock. There were kilometres and kilometres of these – it is oil shales that are being developed so for generations, essentially for decades, that industry was producing. Well, guess what? It's still operating in Ukhta today.

I got personally involved in one of the situations, two employees of mine in Syktyvkar, where we had our operations. Their father was a senior environmental director doing a lot of the inspections. I didn't have a chance to meet this gentleman because it was one Sunday afternoon; he was walking along and he got taken out in a drive-by hit and run. Never found out what was going on, but at the time he was raising a lot of noise about the environmental standards. His sons are still looking for a solution.

These are some of the things that are going on in the industries that Newfoundland and Labrador is competing with. We are demanding high standards, but unfortunately consumers are not. This is bigger than this room, that's for sure. But it's something we need to realize, that those people out on those steps are being caught in a chess game where we are such a small pawn. It's really very frustrating.

I want also to go over to a theme that I've been speaking about these last couple of weeks around the budget and I raised just last week. That is about our own resources. I've heard the Member for Mount Pearl - Southlands and I believe I just heard the Member for Corner Brook also talk about it. I'm thinking about if I had a carrot patch. If I planted carrots in my backyard and I nice big field of carrots and I felt that, okay, now I'm at a point now where I want to harvest that crop and put it out there and so on. Would we really have to pay then for those carrots to be picked, collected and distributed on the retail market?

I find it's amazing that we have to buy in to these projects, whether it be mining – I'm very frustrated with what, for example, IOC pays for royalties. We've talked about the fishery. All of these different resources and now our oil and gas deposits in the offshore. To get involved with something that's in our jurisdiction and put so much risk on ourselves and future generations, I

just think, wow, we are getting this so wrong. We have to stop and start thinking about the future. As painful as it's going to be.

I look at those folks on the steps and I asked Mr. Martin this morning: What does the total payroll cost in terms of Newfoundland and Labrador residents for annual salaries. He didn't have a number then, but I think I've heard a number here this morning? I did some calculations, it's probably in the vicinity of \$125 million to \$139 million a year. That's just in salary alone.

For supplies and the companies that depend on this industry and this project in particular, it's incredibly frustrating that we're now at a situation where we just can't keep going to the point of trying to buy in to projects, supporting companies which, at least in this jurisdiction, are behaving, I would say, to a world standard. What they're doing elsewhere who knows, but certainly their competitors, I've seen them with my own eyes and it's very frustrating.

I'm not sure how we're going to really move forward. I guess I'll just advise the House that I am working on a presentation. I'm not sure when I'll give this because I want to make sure it's accurate, but I do have a lot of concerns about the offshore in terms of its exploration.

I feel we need to develop the fields that we have in place and proceed with them. There's merit in doing that, again for the environmental advantages, for the regulatory oversight that we provide, for the importance of our economy. But in terms of developing those other fields and the risk associated with that, especially when we're continuing to compete with some of the characters I've had personal experience with, I don't think that's a place we want to go.

In the meantime, I do hope for the best for those employees out on the step, their families and the companies that depend on them.

Thank you very much, Mr. Speaker.

**SPEAKER:** The hon. the Leader of the Official Opposition.

**D. BRAZIL:** Thank you, Mr. Speaker.



I'll take a few minutes to weigh in on the debate today when we talk about what's happening with the Terra Nova negotiations.

Mr. Speaker, I just want to clarify the intent of why we had called, with support from the government and all the Members of the Opposition, about having a debate. It was so that we could have an open dialogue about the issues that are being dealt with in this negotiations and to see if we could lend what support was necessary or a group of suggested ideas that would help move the project a long and come to some kind of an agreement between the parties involved.

We never once said this was about giving oil companies what they're not deserving of. We never once said it was buying an equity share at any cost. We never once said it was about putting everything on the table that didn't benefit the people of Newfoundland and Labrador, Mr. Speaker.

I wanted to spell that right away. It's a bit disheartening because I made it very clear when I spoke to the Unifor members, those men and women who are affected, who are no longer in work. I used to have a sign in my office one time, 35 years ago as a civil servant, that said if you think the system is working, ask somebody who isn't. That's where we are right now. If you think this system is working of the negotiations on this agreement, ask those members out there who don't have a job. Ask those members who right now are grappling with the fact that they have no hope that there may be a job here.

All we had asked this administration – Mr. Speaker, I'm a little upset because the Premier's first comment this morning, when a few of us weren't in the House because we were out talking to the rank and file; we were out to hear what their issues were and we were also hopefully – I was hopeful to hear what the Premier would offer out there and then we could come in and have a dialogue here in the House. He didn't offer that. His quick comeback was that, well, it's too bad all Members are not in the House of Assembly.

Mr. Speaker, I will tell you, I honour what I hear in this House and I respect what I hear from people. But do you know what? If I'm going to

be informed to speak on something, I want to speak to the people who are affected most by it, and that's what I saw when I was out there, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**D. BRAZIL:** I just want to clarify that, and I'm not going to take a lot of time because I spoke to this on Thursday night and I think I outlined a lot of my issues. I do want to clarify, and I said it out there adamantly, about what we, as an Opposition, stand for. We stand for finding a collaborative way to do the best thing for the people of Newfoundland and Labrador. It's not us and them; it definitely is not in this issue here. We will be political and we will be the Opposition when it's necessary and it serves the purpose of the people of this province. What we were asking in this case was to have an open dialogue.

We had asked to have information shared with us in the briefing and I give credit to the bureaucrats, they did a very professional job. I know they shared what they were given the notice to be able to share. Obviously, all of the information is not there. I'm still bewildered where we went from Thursday on a 1:15 press conference where it disallowed any real negotiations with the other parties, to now we're having a debate, yet we don't want to talk about the issue at hand. The issue at hand: Is there an ability to come up with a solution? Seamus O'Regan, the minister, didn't offer any supports or lend any credence to how this could be done. It's all about: Oh, we're going to support the industry.

Share the information with the general public so we can decide: Was there a workable solution? If there isn't, we're not beyond the fact that sometimes you cannot come to an agreement or the agreement you must come to is not in the best interest of the people you serve. The people we serve are equally all the same in this House, the people of Newfoundland and Labrador. I would have hoped and more importantly I would have expected that that information would have been shared so that we wouldn't get into a bantering dialogue. We would have got into a solution-based dialogue in the House of Assembly, Mr. Speaker, and that's what upsets me the most about what happened here today.

**SOME HON. MEMBERS:** Hear, hear!

**D. BRAZIL:** Mr. Speaker, the hon. Member for Corner Brook took a few hits about what we stand for and about selling the equity share. Do you know what we stand for? We stand for using the assets we have in Newfoundland and Labrador to minimize any impact, be it socially, economically, mentally or physically on the people of Newfoundland and Labrador. If that means we can work agreements and deals, particularly if it means we're working with the federal government – you know, our partners in this Confederation – to make sure that we minimize the impact on the people of Newfoundland and Labrador, I think that's a good move.

Mr. Speaker, I'm going to end by reading one thing. I'm glad he reminded me about our Blue Book because sometimes we forget that was an election thing, but our Blue Book is what we stand for and it's our principles around our policies. Now, they're always evolving because there's always moving parts here and things change in our society. I will read this last part and then end on it.

“Standing Up for Our Energy Industry and Jobs

“A PC Government will fight for our energy industry – and the jobs that go with it – so we can make our province strong! Our offshore industry needs dramatic support to preserve jobs and create new jobs – support of the magnitude delivered by PC Governments to ensure the development of Hibernia,” the cornerstone of our oil industry.

Mr. Speaker, I'll also end on a note that I did when I spoke to the gathering out there. The intent here and the primary objective should be the people of Newfoundland and Labrador and it should be to ensure that those people who have a skill set, those people who are committed to the oil and gas industry and those people who give every day as volunteers and spend their money in our economy are the ones that should be our primary objective to take care of, Mr. Speaker. They're the ones we came to this House for and I expect all of us in here to stand up and support them – whatever it takes – to make sure they have a viable future in Newfoundland and

Labrador and we don't have to say goodbye, we have to say welcome again.

Thank you, Mr. Speaker.

**SOME HON. MEMBERS:** Hear, hear!

**SPEAKER:** Order, please!

It being 12:30, this House now stands adjourned until 1:30 this afternoon.