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Resources**

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Department of Fisheries, Forestry and Agriculture

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Honourable Scott Reid, MHA

RESOURCE COMMITTEE

Department of Fisheries, Forestry and Agriculture

Chair: Christopher Mitchelmore, MHA

Vice-Chair: Jordan Brown, MHA

Members: Paul Dinn, MHA
Carol Anne Haley, MHA
Pam Parsons, MHA
Chris Tibbs, MHA
Perry Trimper, MHA
Sherry Gambin-Walsh, MHA

Clerk of the Committee: Kimberley Hammond

Appearing:

Department of Fisheries, Forestry and Agriculture

Hon. Elvis Loveless, MHA, Minister
Stephen Balsom, Assistant Deputy Minister, Forestry & Wildlife
Tracy King, Deputy Minister
Keith Deering, Assistant Deputy Minister, Agriculture & Lands
Philip Ivimey, Departmental Controller
Katie Norman, Assistant Deputy Minister, Enforcement & Resource Services
Lorelei Roberts-Loder, Assistant Deputy Minister, Fisheries and Aquaculture
John Tompkins, Director of Communications

Also Present

Hon. Derek Bennett, MHA, Minister of Environment, Climate Change and Municipalities
James Dinn, MHA
Pleaman Forsey, MHA
Paul Lane, MHA
Kevin Parsons, MHA
Laurie Bonia, Researcher, Official Opposition Office
Scott Fleming, Researcher, Third Party Office
Susan Walsh, Researcher, Third Party Office

Pursuant to Standing Order 68, Derek Bennett, MHA for Lewisporte - Twillingate, substitutes for Carol Anne Haley, MHA for Burin - Grand Bank.

Pursuant to Standing Order 68, James Dinn, MHA for St. John's Centre, substitutes for Jordan Brown, MHA for Labrador West.

Pursuant to Standing Order 68, Pleaman Forsey, MHA for Exploits, substitutes for Paul Dinn, MHA for Topsail - Paradise.

Pursuant to Standing Order 68, Kevin Parsons, MHA for Cape St. Francis, substitutes for Chris Tibbs, MHA for Grand Falls-Windsor - Buchans.

The Committee met at 6 p.m. in the Assembly Chamber.

CHAIR (Mitchelmore): I would like to welcome everyone to the Estimates for Fisheries, Forestry and Agriculture, as Chair of the Committee, Christopher Mitchelmore, the MHA for St. Barbe - L'Anse aux Meadows.

We will start our meeting by asking the minister and his team to introduce themselves, and please wait until the light comes on before speaking. Throughout the Committee meeting, if the light is not coming on, you may have to wave for Broadcast so that they can identify. We will do the best we can to make sure that it's a very smooth process.

With that, I'll ask the minister to begin introductions.

MR. LOVELESS: Okay.

It's Elvis Loveless, MHA for the beautiful District of Fortune Bay - Cape La Hune.

MS. KING: Tracy King, Deputy Minister.

MR. IVIMEY: Philip Ivimey, Departmental Controller.

MS. ROBERTS-LODER: Lorelei Roberts-Loder, Assistant Deputy Minister, Fisheries and Aquaculture.

MR. BALSOM: Steve Balsom, Assistant Deputy Minister, Forestry and Wildlife Branch.

MR. DEERING: Keith Deering, Assistant Deputy Minister, Agriculture and Lands Branch.

MS. NORMAN: Katie Norman, Assistant Deputy Minister, Enforcement and Resource Services Branch.

MR. TOMPKINS: John Tompkins, Director of Communications.

CHAIR: Now we'll –

MR. K. PARSONS: Kevin Parsons from the beautiful District of Cape St. Francis.

MR. FORSEY: Pleaman Forsey, MHA for Exploits.

CHAIR: Your light didn't come on there. We'll just wait for Mr. Forsey's light. He's sitting in Mr. Brazil's –

MR. FORSEY: Pleaman Forsey, MHA for Exploits.

MS. WALSH: Susan Walsh, Researcher.

MR. J. DINN: Jim Dinn, from the even more beautiful District of St. John's Centre.

MR. LANE: Paul Lane, MHA for the thriving metropolis of Mount Pearl - Southlands.

MS. P. PARSONS: Pam Parsons, for the historic fishing and strong District of Harbour Grace - Port de Grave.

MS. GAMBIN-WALSH: Sherry Gambin-Walsh, MHA for Placentia - St. Mary's.

MR. BENNETT: Derek Bennett, MHA for the beautiful, scenic and historic District of Lewisporte - Twillingate.

MR. TRIMPER: Perry Trimper for all 100,000 square kilometres of Lake Melville.

CHAIR: I think we also have a staff person with the Official Opposition, who would be sitting in –

MS. BONIA: Laurie Bonia, Researcher with the Official Opposition Office.

CHAIR: With the NDP there's a staff person as well.

MR. FLEMING: Scott Fleming, Researcher, Third Party.

CHAIR: Great.

Now that we have done the introductions, I would just like to remind all participants of the Committee meeting that if you're moving about the Chamber for any purpose to ensure that you are wearing a mask, if you need to get up to use the facilities, or take a phone call or step out for any reason. We will have a break typically halfway through the Estimates for 10 minutes.

I'm going to now turn matters over to Minister Loveless and his officials, to the Committee, to have an opportunity to give an overview or introduction for 15 minutes. I'll ask the Clerk to call the heading.

CLERK (Hammond): 1.1.01 to 1.2.02 inclusive.

CHAIR: Shall 1.1.01 to 1.2.02 inclusive carry?

I'll ask the minister now to bring opening remarks.

MR. LOVELESS: Thank you, Mr. Chair.

For me, I've been in many Estimates meetings, but this is the first as minister. It's a privilege and I'm proud to be here.

I just wanted to say this department is the same department, but with a different name, and that's Fisheries, Forestry and Agriculture. Just to note that we no longer are responsible for protected areas. That's the only change in the department.

I know I only have a few behind me, but there's more to the department than what is behind me – 621 people, actually. I just want to thank those that are with me tonight. I don't think we can thank them enough. I wouldn't be able to function or the department wouldn't be able to function without them. COVID-19, we all know, has challenged all of us, and I guess it's no

different in this department. They faced that challenge, but I believe they have done a good job. I thank them and I thank all of you for participating tonight.

Without further ado, I'll let the proceedings begin.

CHAIR: Thank you, Minister.

I will hand matters over to Mr. Parsons.

MR. K. PARSONS: Thank you very much and thank you, Minister.

First of all, Minister, I'm wondering if we can get a copy of your binder.

MR. LOVELESS: Yes, you certainly can. I have it here. And any other information that you're looking for, we will certainly get it for you at a further date.

MR. K. PARSONS: Okay, perfect. Thank you very much.

Is the attrition plan still being followed in your department? If so, what changes from last year to this year?

MR. LOVELESS: I'll ask my deputy.

MS. KING: The attrition plan is still being followed for this year. For this year, that represents \$173,652.

MR. K. PARSONS: Okay.

I noticed, Minister, you said that there was 621 staff now in the department. As I remember, I think that was a little bit higher last year. Can you give me a breakdown of the permanent, seasonal, temporary and contractual employees in the department?

MR. LOVELESS: Yes, I certainly can.

Of the 621, we have 438 that are permanent, 113 are seasonal, 64 are temporary and we have six contractual. In '19-'20 we have 15 retirements. I don't know if there's any other number that (inaudible).

MR. K. PARSONS: Okay.

Were any of those retirements filled this year?

MS. KING: Some of them (inaudible).

MR. K. PARSONS: Some have, okay.

Were there any layoffs in the department since last year?

CHAIR: Just asking, for the purpose of Hansard, to identify yourself.

MS. KING: Oh yeah, sorry. I'll get back into the swing.

No, there were no layoffs this year other than the usual seasonal layoffs that we would have.

MR. K. PARSONS: Okay.

How about new hires, any new hires in the department?

MS. KING: No new positions were created, but of course we have competitions always ongoing.

MR. K. PARSONS: Okay.

Are there any vacancies now in the department and what is the department doing to refill them?

MS. KING: Yeah, there are 74 vacancies in the department right now and 39 active competitions.

MR. K. PARSONS: Okay.

As we know, we're going through COVID, so what has your department done and has it impacted anything on your budget and your departmental spending?

MS. KING: COVID has been a big change, I guess, within the department. It's changed a lot of the operations front line, of course. Changing from front-line service delivery to online or appointment by phone. But as well, the department has also really stepped up and we're really proud of the work that we have been doing to support the point-of-entry process. It's our fisheries field representatives and some of our resource enforcement officers that have been attending to the points of entry at Port aux Basques and Lab City, and as well in Southern

Labrador when that border point was active. So that's been certainly a change in our business.

MR. K. PARSONS: What effect has that had on the service delivery and the impact it had on programs in your department?

MS. KING: We have done, I think, well overall, maintaining our service delivery and certainly we've seen that by moving more to on the phone. In fact, in some areas – I'm thinking about domestic woodcutting permits and some of the Crown Lands activities – we have actually found some efficiencies through that. Obviously, dealing with COVID and making sure everyone is safe and doing their work safely has been a challenge, but I think we've done really well overall.

MR. K. PARSONS: Okay.

Has your department received any monies from the COVID fund and for what purposes?

MR. LOVELESS: Just to reference the financial breakdown, I can provide this if you wish.

MR. K. PARSONS: Okay, yeah.

MR. LOVELESS: That's for the economic recovery initiative in the department. The total investment was \$28.7 million.

MR. K. PARSONS: Okay.

MR. LOVELESS: That's under, well, the agriculture, the aquaculture and the forestry.

MR. K. PARSONS: Has your department received any money from the contingency fund?

MR. LOVELESS: This is what I have in front of me here now.

MR. K. PARSONS: Okay.

MR. LOVELESS: Yeah.

MR. K. PARSONS: Okay.

Now, I have a couple of questions. Actually, last year I understand that the deputy minister's office was located in Corner Brook. Is that ...?

MS. KING: The headquarters has always been in St. John's, but as deputy ministers we split time between St. John's and Corner Brook.

MR. K. PARSONS: Okay.

Are we accommodating people that are going to Corner Brook? How is that handled with the department?

MS. KING: We have leased accommodations in Corner Brook for the deputy minister and the assistant deputy minister of Enforcement and Resource Services. This year, given the change in deputy and our personal circumstances, is a bit different.

MR. K. PARSONS: Okay.

Your Corner Brook office, it's a fairly new office that you have located over there. Is there a need to do more renovations or is there a possibility that that office could be moved?

MS. KING: I will let the minister address the moving part, but I will just say the only renovations that we've done are COVID related to ensure that plexiglass and those types of things are there.

MR. K. PARSONS: Okay.

MR. LOVELESS: We're not moving it to Torbay.

MR. K. PARSONS: No.

MR. LOVELESS: No, at this time, there has been no discussion – not with me – around any relocation of any offices.

MR. K. PARSONS: Okay. No, I'm talking about a move in another office building, probably, in Corner Brook. I hope you're not going to move it again. I don't want to see that.

MR. LOVELESS: No, again, I haven't been privy to any conversations on that.

MR. K. PARSONS: Okay, no problem.

We're going to get into some of the line stuff now. If you turn to the first page, Minister, it's your statement there of the department.

I just have a question on the Program Funding Summary. Under Fisheries and Aquaculture, I see \$5 million as capital. Can you explain what that is?

MR. LOVELESS: Where are you?

MR. K. PARSONS: On the very first page.

MS. KING: (Inaudible.)

MR. LOVELESS: Oh here, okay. The very first page. I skipped over, sorry.

That's the \$5 million allocated for the Grieg.

MR. K. PARSONS: Okay, I thought that's what it was for.

MR. LOVELESS: The Grieg project.

MR. K. PARSONS: Okay, let's get in to 1.1.01.

Under the Salaries, can you explain the variance?

MR. LOVELESS: The actuals compared to the budget, you mean?

MR. K. PARSONS: Yes, and also there's an increase from budget to what we're going to have this year, too. What was budgeted, the actuals. There's a variance there and I'm just wondering what the variance is.

MR. LOVELESS: Yes, the variance was for the minister's executive assistant, which was vacant for a while.

MR. K. PARSONS: Okay.

MR. LOVELESS: For I don't know how many months of the year, but it was vacant and that's why the number is lower there. There's a salary adjustment required for '20-'21. We have 27 pay periods this year, versus 26.

MR. K. PARSONS: Okay. All right.

Under Transportation and Communications, could you explain the variance there, too, please?

MR. LOVELESS: That was due to lower than anticipated travel expenditures during the year.

MR. K. PARSONS: Okay.

Now, I do have a question and it's a question that maybe I'm going to ask three or four times on Transportation and Communications. Under the circumstances we find ourselves in now, we all know that there's going to be a lot of less travel. I mean, there are no conferences; there's no nothing. Is there any adjustment for what's happening to the departments?

I don't know if this was a question that was asked in other Estimates, but it kind of struck me that under the circumstance we find ourselves in, there's going to be a lot less travel and a lot less communications needed for different conferences and whatnot. So I'm just wondering.

MR. LOVELESS: Yes, to speak to that, I understand what you're saying, but for me as minister and even the deputy or the ADMs, we do have a responsibility for the office in Corner Brook and there will be travel there. But to tell you that there would be a lot, lot less, I don't know. Based on the challenges with COVID, you would think, yes, there will be less travel, because Zoom has become a reality of our lives. If I can do it to be more efficient, then I certainly will as a minister. There's no doubt about that.

MR. K. PARSONS: Okay. All right.

I'm going to go to section 1.2.01. Again, the difference in the Salaries: Almost \$200,000 more spent than was budgeted last year and there's a reduction this year. Can you explain it?

MR. LOVELESS: Yes, the former deputy minister retired, so the severance and leave entitlements were associated with that.

MR. K. PARSONS: Okay.

Again, we go to Transportation and Communications here, and it's exactly how I explained it the time before. It's a different variance, but there's a reduction this year. Why is there a reduction?

MR. LOVELESS: I guess I could repeat my answer before, in terms of lower than anticipated travel expenditures during the year. But if the deputy wanted to add to that, she certainly can.

MS. KING: The reduction here really relates to your question at the beginning around accommodations in Corner Brook. You see the reduction here related to travel and then you'll see an increase in Purchased Services.

MR. K. PARSONS: Okay. That's my next question.

MS. KING: Yes.

MR. K. PARSONS: What's included in that and why is there an increase in the Purchased Services?

MS. KING: Yes, the increase in Purchased Services really relates to leased accommodations in Corner Brook. That's not picked up in the travel line; that's picked up down here to account properly for that.

MR. K. PARSONS: Okay.

Last year's budget only showed \$10,000. What's the reason for such an increase?

MS. KING: The travel budget, it's the exact same total; it's just that the expenses are allocated a bit differently. The circumstances of the previous deputy were that she had private accommodations in Corner Brook, so that would be on the travel line; whereas I don't, so some of that is picked up in Purchased Services instead.

MR. K. PARSONS: Okay.

What section are we going to next?

CHAIR: You go as far as 1.2.02.

MR. K. PARSONS: Okay.

Under this section here, it's a little bit interesting. This was a placeholder the last couple of years and I think it was for the purchase of a boat. I don't know if the funding that was announced this summer or is this related –

MR. LOVELESS: Are you referring to 1.2.02?

MR. K. PARSONS: 1.2.02, yes.

MR. LOVELESS: Yes. I'll defer that to ...

MS. KING: This account, as you note, is a placeholder account. But, Minister, if you want to take the opportunity, in the COVID funding there is funding for the vessel for Aquaculture. I'm assuming that's what you're talking about.

MR. K. PARSONS: Yes, we'll have questions on that later, too.

MS. KING: Yes. But that's just to (inaudible) so we'll see that this year.

MR. K. PARSONS: Okay, that's it for that section.

CHAIR: Mr. Dinn.

MR. J. DINN: Thank you, Chair.

Just some general questions, to start off. Overall, what initiatives are being undertaken to combat invasive species that negatively affect our fisheries, in particular green crab and surf clams?

MR. LOVELESS: Are you referring directly to green crab?

MR. J. DINN: Green crab, yes.

MR. LOVELESS: I know DFO has initiatives in terms of fishermen, I guess, tackling, if that's the word, the green crab species; but right now I don't have a plan that I can say to you: This is what we're going to do tackle the problem. It certainly is a problem that I've had discussions with to date. I'm still fairly new, August 20. Even before becoming minister, I certainly chatted with the harvesters and the concerned fishermen in my district as well.

I'll ask the ADM responsible if she wishes to add to that.

MS. ROBERTS-LODER: DFO does have an active committee on aquatic invasive species, and green crab is one of them. There are others. We do participate as a province on a federal-

provincial working group to discuss strategies to address green crab.

In terms of work that's ongoing in our province, we do fund some projects, or we have funded some projects out of our Sustainable Fisheries and Oceans Policy Division for green crab.

MR. J. DINN: If I may follow up on that, I know, as a listener to The Broadcast, there was some discussion – I think it was last year or the year before – about a commercial fishery related to the green crab and there were some experimental or sentinel – I don't know what you want to call it – project. Is there any attempt to pursue some sort of a green-crab fishery with this? Apparently they are edible. If I remember the comments from the fish harvesters, there didn't seem to be a willingness at the government level to pursue this. Yet I know they're a pretty invasive species; they're moving pretty quickly out of Placentia Bay. I'm just wondering what the update is on that.

MR. LOVELESS: To your question, again, I've had discussions around it. As the assistant deputy minister alluded, there are concerns for it. Anyway, I'll ask the ADM to comment further on it. She's more up to date on it than what I am.

MR. J. DINN: Before, if I may, Chair, I'm just wondering is there a potential to turn this into some sort of a commercial fish harvesting industry. That's where I'm going with it. And kill two birds with one stone, more or less.

MS. ROBERTS-LODER: In terms of a green-crab fishery, DFO is responsible for, of course, issuing licences and they would determine whether or not there would be a green-crab fishery going ahead. With regard to green crab, it is a very invasive species. It's a possibility that it can travel in the water.

In terms of looking at it from a commercial standpoint, right now the direction that DFO is giving is essentially that the crab is destroyed and it's destroyed fully, because these species, apparently, can survive quite a bit and they can do quite considerable damage to the ecosystem for a fishery, particularly where the cod is spawning in the eelgrass and other things.

As of right now, DFO has not shown an interest in moving into green crab from looking at issuing commercial licensing. It's more around the experimental so that they can study the habitat and basically how we might be able to address them from an aquatic invasive species.

MR. J. DINN: Yes, I hear they're quite aggressive compared to others.

MS. KING: They are indeed.

MR. J. DINN: Okay.

With regard to, just an update on the sale of Quinlan Brothers to Royal Greenland. I guess that's one of the things that have been brought to a number of fish harvesters including representatives of the FFAW contact. Where are we going with this? There's certainly a concern here that the monopolization of the fishery by or the concentration hands of a few, can have detrimental impacts on competition for fish harvesters and those who depend on the fishery.

MR. LOVELESS: In terms of the transfer, I've signed off on it. There's no going back. I've heard the concerns from the Member opposite and your concerns now. When the decision was made, just to go to the process, I guess, there was a four- to five-month process where the board welcomed objections from whomever. There were no objections. That was what was presented to me in terms of the recommendation from the board: There were no objections, other than one, referring to the St. Anthony.

As I said in media, I believe this is a good transfer that will result in jobs in rural Newfoundland and Labrador. I've recently met with officials of Royal Greenland and I have to say I'm encouraged by that and I'm encouraged by what they had to say in that meeting. I understand it in terms of foreign investment concern, but I think I make a statement that: Where would we be without foreign investment? The concerns as were asked, I guess, to me by Reg Anstey and the board that moving forward the foreign investment should be part of a conversation piece, maybe under the umbrella of a policy, and I said: Absolutely it will be.

I don't know if that helps you.

MR. J. DINN: Okay.

There's certainly a concern that you concentrate the processing in the hands of a few, especially those who don't have real ties to the province – they're not locally homegrown, I guess, for lack of a better description – that it puts the fish harvesters and our plant workers at a bit of a disadvantage. I know we've heard similar issues raised here and in the media, but that's where my concern is.

Is there an opportunity to review this deal down the road, or is it done now for all eternity?

MR. LOVELESS: There is no going back in terms of a review.

MR. J. DINN: Okay.

I'll probably have to come back to this, but this has to do with the merging of conservation enforcement officers and Wildlife. I'm just wondering what's driving that. You're merging the two divisions. You have your enforcement or conservation officers and the forestry officers. What is driving this and what will be the cost associated with it?

MR. LOVELESS: Well, it's moving forward. The plan is certainly moving forward. We believe, certainly always with conservation in mind, that this will enhance those that are providing that service, and it certainly will enhance their duties and responsibilities.

To give an update on where that is, I'll ask the ADM responsible for ...

MS. NORMAN: The rationale behind the restructuring is to provide greater scope to the officers that are currently active in our backcountry. Prior to the merger, which we are actively in the middle of right now, some officers had a responsibility for forestry matters, while others had a responsibility for fish and wildlife enforcement matters, to generally describe it.

With the merger, the same number of officers will be employed, but they will have enhanced designations. When they're coming across issues of non-compliance with our environmental regulations, they will be able to take action

across a variety of different mandates: everything from illegal occupation under Crown Lands, animal health and protection, wildlife matters, inland fish matters under the federal *Fisheries Act* and matters related to ATV and snowmobile, just as a high-level example.

In terms of the cost, the operating budget you'll see here today reflects current status and not the merger. The anticipation is that the funding associated with the 44 conservation officers moving from Forestry Regional Services will simply transfer into the division. There will be some upfront training costs and uniform costs associated with that. The average cost of outfitting a uniformed officer is about \$12,000, but many of those officers are already coming with duty belts and some of the more expensive personal flotation devices, things of that nature, that they already have. We don't have a final total on that now because it will depend on what those officers have and what state of repair it's in. But certainly, once it's complete, we could release the details of the cost.

CHAIR: Thank you, Mr. Dinn; your time has expired.

Mr. Parsons, do you have further questions?

MR. K. PARSONS: I just have one question. I was going to ask it at the end.

The Royal Greenland topic was brought up. Minister, I'm wondering if you are aware if there are any controlling agreements with the companies that are involved.

MR. LOVELESS: All I'm going to say to that is if there are any controlling agreements, bring them to us.

MR. K. PARSONS: Okay.

Was there an investigation done or anything to check and see whether there are controlling agreements there?

MR. LOVELESS: That was my same response to FFAW as well, in terms of controlling agreements. So that's all I'm going to say to that right now.

MR. K. PARSONS: Okay, all right. That's it for that section.

CHAIR: Mr. Dinn.

MR. J. DINN: Thank you.

I just want to follow up on the merger of conservation and forestry. How many people are we talking about altogether? You may have mentioned that, I didn't get it though. How many people are we talking about when we bring the two – the total number of forestry officers and conservation officers?

MR. LOVELESS: Are you referring to the numbers for the whole department or for the reorganization?

MR. J. DINN: Just the merger. I guess they're looking at the people who were out in the – I think those who are out in the field, those who are responsible for enforcing it. Actually, both divisions. The total number of people and also the number of officers who are actually – who I'm going to meet out, I guess, on the river or the backcountry or whatever.

MR. LOVELESS: Yeah. Well, without not giving you the accurate number, I'll ask the ADM to give us that number, please.

MS. NORMAN: Currently we have 47 fish and wildlife enforcement officers and post reorganization there will be 91, so there will be 44 additional. In terms of headquarters positions, there would be, I believe, nine additional, but we could confirm that. So just about 100 people will be in the division post reorganization.

MR. J. DINN: Okay.

I understand, too, then that one key difference, not in the training, is that the conservation officers also – or enforcement officers carry side arms and I understand forestry do not. Would that be correct?

MS. NORMAN: Yes, that's accurate.

MR. J. DINN: So we're looking at purchasing side arms for another, would that be correct, 44 people at least?

MS. NORMAN: Yes, the department has within its custody additional side arms for those employees, so that's not a cost that will have to be incurred this year.

MR. J. DINN: And the training that goes with that?

MS. NORMAN: That's correct, yes. All officers will be trained prior to being issued a side arm.

MR. J. DINN: And that training would be carried out by your department?

MS. NORMAN: Yes, that's accurate. We have in-house trainers who will complete basic pistol training.

MR. J. DINN: Okay.

What I'm looking for, then, at the end is the total cost of doing this, when you have those numbers, please. Because there are going to be, I guess, significant costs in terms of letterhead, uniforms and so on and so forth. So when the final cost is available, if that could be shared, please.

If I understand what you're saying, this is simply to increase the capacity of the enforcement division so that officers will be able to do multiple – they will be able to act on anything in terms of resource or forest management.

MS. NORMAN: Yes. I mean, just to give a simple example: If officers are in the backcountry and they come across somebody and they're checking whether or not they have a big game licence, they may also have recently illegally cut some wood. At this time, that would actually be two separate officers that would have to address those illegal issues. Now it will be one officer who can deal with both illegal woodcutting and also poaching.

MR. J. DINN: Is there a plan, then, somewhere down the road, some sort of attrition – now that you have the departments combined – to eventually reduce the number of people employed in these divisions? Is this the first step towards actually reducing the total number of people who are actually out in the field?

MR. LOVELESS: No, that's not in the plan.

MR. J. DINN: Okay.

CHAIR: Mr. Dinn, just for the purpose of the Committee and the flow of sections, I know the minister has given a lot of latitude to your line of questioning, but they could be dealt with the specific Estimates. Just for the flow of the Committee and (inaudible) –

MR. J. DINN: No, that's fair enough. That just means I won't be asking them at that time, as well. I'll come back to that I'm assuming at some point, either at the end or whatever, but I understand. I'm still looking at the cost. I'm just trying to get an idea of the cost here.

CHAIR: Absolutely. I'm just asking for the flow of the Committee if we could stick to the line-by-line items of 1.1.01 to 1.2.02, which is the Minister's Office.

MR. J. DINN: Well then I'll certainly come back to that, Chair. Thank you for your guidance.

Okay, on to 1.1, I think some of those questions then – that's the other reason, Chair. My colleague to the left has asked most of the questions I wanted to ask. But I'm looking at 1.1.01, Minister's Office, and I'm just wondering there with regard to the travel, the question was asked: Will there be a lot less travel? I'm wondering, too, certainly with the pandemic, but leading up to that, has there been a greater reliance on technology for meetings? Zoom is what we all know now, but I'm just thinking over the years and considering that you have an office out in Corner Brook, is there a greater reliance on technology for meetings, or is it still basically travel based?

MR. LOVELESS: Well, since I've been –

MR. J. DINN: I know you're new to this.

MR. LOVELESS: Yes.

I've done very little travel. It's been all Zoom and telephone calls in terms of meetings and whatnot. I think it speaks to the reality of COVID. We've all come to realize that you can do it by Zoom as well as travelling to that point.

But, again, back to the necessity for the deputy ministers and staff, going to Corner Brook is a necessity. So there will be travel, although we're faced by COVID or the challenge of COVID, I should say.

MR. J. DINN: Thank you.

One last question here in this section. You said protected areas are not part of Fisheries, Forestry and Agriculture. Where would that have been accounted for then in this part of the line by line? Would it have been in the Executive Support or somewhere else?

MS. KING: It comes under Agriculture and Lands for this year and then in the next budget it will move to Environment, Climate Change and Municipalities.

MR. J. DINN: Okay, I'll come to that at that time. Thank you.

I think, Chair, that's it right now for that section.

CHAIR: Okay.

Thank you, Mr. Dinn.

Members who aren't part of the Committee or official substitutes can attend a meeting but can only ask questions if they are given leave. Mr. Lane has attended meetings and has asked questions. I don't know, Mr. Lane, if you have questions. If you would like to ask questions, we would have to ask for leave by Members here of the Committee.

MR. LANE: Yes, I wouldn't have line-by-line questions and so on, so everyone can go ahead. But at the end of each section, with the leave of my colleagues, I might have a question or two. That's what I've been doing.

CHAIR: Is leave okay for Mr. Lane?

AN HON. MEMBER: (Inaudible.)

CHAIR: Leave has been granted.

Mr. Lane, do you have any questions at the end of this section.

MR. LANE: The only question I have in this particular section – and it's kind of been covered by my colleagues about the COVID. But in addition to travel, I think in one of the answers we talked about woodcutting permits and different things, doing it over the phone and all this kind of thing. I've been at every Estimates and I ask it at every one of them. I think that these are things that we need to be doing permanently if it can be done and can still be done efficiently to save money, which we desperately need to do.

I don't know if there's any commentary as to the types of services and the types of expenditures that have been curtailed as a result of COVID, whether it be the use of Zoom for meetings, travel. I understand, Minister, you and the deputy minister have to do some travel. But I'm talking about across-the-board utilization of Zoom, utilization of online, telephone, other things and maybe people working from home to save office space. Things that can be done to save money overall, beyond COVID-19.

MR. LOVELESS: Well, I've been to a couple of Estimates and you've asked the same question. It's a good question. There's no doubt it.

Efficiency is a very nice word and all departments are certainly looking at it. Again, Zoom is a reality and COVID-19 has brought about a lot of realities for departments. So this department is no different in terms of looking at that and if efficiencies can be had and we can do it. It's certainly a part of our conversations in this department.

MR. LANE: Okay, thank you.

I have a couple of questions around the fishery, but I think that will be in the next section. So that's it for me for now.

Thank you.

CHAIR: Thank you, Mr. Lane.

Any further questions from Committee Members?

I'll ask the Clerk.

CLERK: 1.1.01 to 1.2.02 inclusive.

CHAIR: Shall 1.1.01 to 1.2.02 inclusive carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 1.1.01 through 1.2.02 carried.

CLERK: 2.1.01 to 2.3.01 inclusive.

CHAIR: 2.1.01 to 2.3.01 inclusive.

Mr. Parsons.

MR. K. PARSONS: Thank you very much.

I'm going to go to the line by line first. There's a difference there in the variance in the Salaries, can you give us an explanation of that?

MR. LOVELESS: That variance is due to vacancies that will happen during the year.

MR. K. PARSONS: Okay.

We're going to go to Transportation and Communications and, again, it's similar to what we talked about earlier. I would like to have an explanation, too, please, on that.

MR. LOVELESS: I can't give you really any different answer.

MR. K. PARSONS: No, no, okay. I have to have it because I don't like the way it's going because I understand we're going to be in the same situation for the rest of this year and why we're budgeting more money than what's actually going to be used, because we only used \$54,000 and we're budgeting close to what was budgeted last year. It's different when we're talking the Minister's Office where the deputy minister and the minister has to move back and forth, but it's a bit of a difference.

MR. LOVELESS: Yeah. I'm hoping I can add a little bit to it for you. It was lower than

anticipated travel expenditures, but to move forward with the budget I guess it's – I don't know what it will be this year, but based on the budget from last year it is lower for '20-'21.

I don't know if anyone behind me wants to add to that.

MS. KING: Just to add a little bit, particularly to last year's travel. I think last year was a bit of a different year, from an FPT point of view, just because there was a federal election and we had our own in the last fiscal year, so those caused unanticipated delays as well. In here would be some of our funding for staff to attend some of the trade shows and things that we would have seen late in the year, late in the last quarter as some things start to come down. So that would be explained here.

Frankly, as we head into the current year, it was really difficult for us to plan or know exactly what would be a safe amount or how quickly, when we were making some of these decisions, we might come out of where we were. So I think as we head into '21-'22 it will be a bit of a different conversation now that we have a bit more under our belt.

MR. K. PARSONS: Okay.

On the next line, Supplies, there's a reduction. Can you explain the actual spending that's getting done on this line?

MR. LOVELESS: (Inaudible) Supplies?

MR. K. PARSONS: Under Supplies, we only spent \$9,000 and we budgeted \$24,000, but it's gone back to \$24,000. What was the reduction in Supplies?

MR. LOVELESS: That was for subscription costs for some of the seafood information and news services, so they were lower than we anticipated.

MR. K. PARSONS: Okay.

Under Professional Services, what's included and explain the increase in spending last year and the reduction this year?

MR. LOVELESS: To explain the \$147,000, it was due to slightly higher than anticipated Professional Services expenditures for research and market intelligence.

If there is anyone who wants to add to that, by all means.

MS. ROBERTS-LODER: In terms of the cost for that particular category, the market services or the intelligence that's provided, it's provided to the Fish Price-Setting Panel. Because of COVID and because of the unknowns in the fishery for this year, there was an added cost because we required more frequent intelligence information to be able to provide to the Fish Price-Setting Panel, as is our obligation.

MR. K. PARSONS: Okay.

On the next line, Purchased Services, again, what's included and an explanation of the variance, please?

MR. LOVELESS: The variance, again, was due to lower than anticipated expenditures associated with trade shows and booth fees.

MR. K. PARSONS: Okay.

Then under Grants and Subsidies: Can you give us an explanation of what the funding section is here and what they're for?

MR. LOVELESS: They're for the Seafood Development Program, and I can ask the ADM responsible to expand on that if you wish.

MS. ROBERTS-LODER: The Seafood Development Program supports the fisheries and aquaculture industry for marketing and industry development. It's a program that allows us to address projects, for example, that wouldn't be captured under the Atlantic Fisheries Fund or other pots of funding that we would have. That particular amount is fully subscribed, it was fully subscribed in this past year and it is a provincial program.

MR. K. PARSONS: Okay.

In this section, under the Fisheries section, this includes agriculture also. How is that broken

down? Because you have the fisheries and you have agriculture in the one.

MR. LOVELESS: How's it broken down in terms of aquaculture?

MR. K. PARSONS: In terms of expenditures, basically. Was it a percentage or ...? We're talking marketing.

MS. ROBERTS-LODER: We actually have one marketing and development officer that's responsible for agriculture under this particular division. The expenses would be for whatever work and supplies and things that are being carried out in the agriculture field as well.

MR. K. PARSONS: Okay.

Can you give us an update on what the Fisheries Advisory board is doing and what they have done?

MR. LOVELESS: The Fisheries Advisory board right now is, I guess from my perspective, very important and one that's certainly in my mandate letter. Right now the chair of the advisory is going through, I guess, the Independent Appointments Commission process. So we're anxious for that to be filled and certainly look forward to when those meetings will begin and participating with them.

MS. P. PARSONS: Okay. Did they meet last year? No?

MR. LOVELESS: When you say last year?

MR. K. PARSONS: In the last budget year, has the Fisheries Advisory board met?

MS. ROBERTS-LODER: The last meeting of the Fisheries Advisory Council was on March 29, 2019, and the chair resigned on June 28, 2019, and it wasn't filled since that point. So it's going through the Independent Appointments.

MR. K. PARSONS: How much money has been spent on the Fisheries Advisory board in the last budget year?

MS. ROBERTS-LODER: In terms of the money that was spent, there really hasn't been any amount of money spent. There was

\$100,000 that was allotted for the Fisheries Advisory Council, and you will note that that's no longer in our budget this year because the time (inaudible) ended for that amount. But it can be covered under our regular costs.

MR. K. PARSONS: Okay.

CHAIR: Minister.

MR. LOVELESS: Just to add to that, the funding for the council before was a three-year commitment of \$100,000 per fiscal year. That ended on March 31. The support for the council will continue under departmental existing funds.

MR. K. PARSONS: Okay.

Can you give me an update on what's happened with that cod revitalization plan, the strategic plan that's happened for the cod revitalization?

MR. LOVELESS: I'm going to defer that one to Lorelei.

MS. ROBERTS-LODER: The cod revitalization plan would be part of the work that's under the Fisheries Advisory Council. That would be included in the work as we're ongoing this coming year.

MR. K. PARSONS: Okay.

I'm going to go to section 2.1.02. Again, there's a big increase in this year's amount for Salaries. Are there new staff hired here?

MR. LOVELESS: That variance is due to additional aquaculture inspectors and additional fisheries field reps budgeted for '20-'21. So there are new positions.

MR. K. PARSONS: Okay.

You're lucky this time; I'm not going to ask you the Transportation and Communications question.

Professional Services: What's included and can you explain the increase from last year? That actually happened?

MR. LOVELESS: Yes, that was due to a higher number of meetings by the Fish Processing

Licensing Board during the year, due to increased applications being received.

MR. K. PARSONS: Okay.

Did that have to do with where they had to go back to renegotiate the price again? Is that the reason with the crab?

MS. ROBERTS-LODER: No, that's a separate function. That's the Fish Price-Setting Panel. This is the Fish Processing Licensing Board. It's for processing licences.

MR. K. PARSONS: Yes, okay.

Purchased Services: What's included here and explain the decrease in the budget line here? You only spent \$9,000, but you actually budgeted for \$19,000.

MR. LOVELESS: Yeah. Well, the variance is due to lower than anticipated Purchased Services requirements during the fiscal year.

MR. K. PARSONS: Okay.

CHAIR: Your time has expired, but I'm sure we can come back to you, Mr. Parsons.

MR. K. PARSONS: Oh, we'll be back again.

CHAIR: We will now move to Mr. Dinn for his questioning in this section.

MR. J. DINN: Thank you, Chair.

Just a few things here. Under 2.1.01, Professional Services, and I know you said such as research and market intelligence. I guess I'm looking for some more specific details as to what exactly that involves. Is there a company that we hire? Is there a service that we use? I'm just trying to get an idea. Do we send someone down to get the information? I'm just trying to get an idea of what exactly is involved. I guess it's a such as question.

MR. LOVELESS: Yeah, you're asking for more research and market intelligence, correct?

MR. J. DINN: Yeah, I'm just asking what exactly are we talking about in Professional Services when you were talking about research

and market intelligence? Where do we get that from?

MR. LOVELESS: Right, I'll ask Lorelei.

MS. ROBERTS-LODER: We get that from multiple sources. There are a number of trade subscriptions that we have that provide us updates on market sources, as well as depending on the species that we would have to provide the intelligence on. Some of it is consultants that are experts in those particular fields. Unfortunately, I don't have a list with me, but it's a variety of different sources, it's not just one source. Again, it's in some cases species dependent.

MR. J. DINN: Would it be possible to have a list of the consultants, at least, or the sources that are used here?

MS. ROBERTS-LODER: We can certainly get that for you.

MR. J. DINN: Perfect.

That would be the same thing with the Purchased Services. I think my colleague asked a question along those lines. Again, there's a drop of \$60,000, I think. But the Purchased Services, would that be along the same lines, or would they be something different under 2.1.01?

MS. ROBERTS-LODER: Under Purchased Services?

MR. J. DINN: Yeah.

MS. ROBERTS-LODER: Under Purchased Services, in terms of what that category is for, that is not for market intelligence. Basically the variance was there, it was due to lower than anticipated expenditures due to trade shows and booth fees. In particular, COVID struck us right when Boston and Brussels trade shows were happening in terms of costs associated with those.

MR. J. DINN: I guess that's where I'm going, Chair. That's basically what the Purchased Services would be for, for trade shows and marketing opportunities like that.

Under 2.1.02, Transportation and Communications: Whereas my colleague wasn't

going to ask you, I will ask just as to what exactly is involved when it comes to – is that for people involved with the licensing or is it for departmental travel? I notice there it's dropped. It's \$87,000; it dropped significantly this year. I'm assuming that's COVID-related. We're budgeting \$84,500 for it.

I'm just wondering, when we talk about transportation, what are we talking about there?

MR. LOVELESS: Again, the answer is similar to what I said before: lower than anticipated travel. Staff meetings were held via video conferences and whatnot. That's due to the reduction. The budgeted amount for this year, well, I guess it's uncertain what's going to happen in the coming year.

MR. J. DINN: Thank you, Minister.

That's what I'm asking. That's staff travel, then, mostly. That's what that would be for, correct?

MR. LOVELESS: Yes.

MR. J. DINN: Okay. Thank you.

That's it for 2.1.02. May I go on, Chair?

CHAIR: Yes.

MR. J. DINN: 2.1.03. I think in – I'm not sure if it was in the Budget Speech, it talks about how the fund will be used to foster growth and assist processors, aquaculture specialists and aquaculture operators to expand their product lines.

I'm just wondering how will that fund be used to do that, the Atlantic Fisheries Fund.

MR. LOVELESS: Sorry, say that again, if you don't mind repeating.

MR. J. DINN: I might have it here, actually. In the Budget Speech on page 14, it talks about: The fund will be more or less used to foster growth and assist processors and aquaculture operators to expand their product lines. I'm wondering how this fund will be used for those purposes.

MR. LOVELESS: I'm going to refer that to Lorelei.

MS. ROBERTS-LODER: In terms of your question, the Atlantic Fisheries Fund actually has two parts to it. One piece funds innovative projects and partnerships, research and development, marketing science and infrastructure for harvesters, processors and the aquaculture industry.

There's a secondary process as part of it and it's called the Canadian Fish and Seafood Opportunities Fund. It's a part of the AFF, the Atlantic Fisheries Fund. That supports pan-Canadian seafood marketing projects. It does both. It actually supports the growth and development of the industry.

MR. J. DINN: Thank you.

Furthermore, why was \$7 million of a projected \$9.7 million awarded in Grants and Subsidies last year? I also note that \$3.7 million was left on the table here in the 2018-2019 actuals. I'm just looking here; there seem to be a decrease.

MR. LOVELESS: Just to speak to the AFF process, applications come in and the money goes out, but there's a lengthy process to that. Jim, in terms of your question, I don't know. Are you asking for a list of the AFF projects?

MR. J. DINN: That would be useful as well, yes, please.

MR. LOVELESS: Yeah. Do you want me to get into that or do you want us to provide you a list?

MR. J. DINN: If it's too lengthy to get in now, providing a list would be useful.

MR. LOVELESS: Yeah, we'll do that, if you don't mind. We'll certainly provide that.

MR. J. DINN: Perfect.

Again, though, looking here, certainly there's a drop in Grants and Subsidies. I would assume then that's just reflective of the fact that there haven't been as many applications or many awarded. I notice that it dropped significantly in

the actuals for 2019-20. It's up a bit from the actuals but it's still down from the \$9.7 million.

I'm assuming that's like she said, money in, money out; it's just fewer awards or fewer people applying for grants and subsidies?

MR. LOVELESS: It's a process. I'm not going to be slow with it because I know how important it is to harvesters and others in the fishing industry, but there is a process to it.

I don't know if, Lorelei, you want to add?

MS. ROBERTS-LODER: With reference to your question, I think the piece that would be helpful for you is to know that this, the Atlantic Fisheries Fund, is a seven-year program; it spans from 2017 to 2024. The total amount that the province is committed is \$41.8 million.

Essentially, the way that it works is that it's application-driven. As applications come in, the money goes out as they're approved. There's a whole technical review process that happens by both the province and DFO. DFO is actually the administrative lead for this particular program.

In terms of the way that the funding goes in and out, overall for the whole seven years we have that commitment of \$41.8 million. At any given year we could spend – so we budget a certain amount for each year. We may go under that but that's just basically how it's budgeted. You would just carry that over to the following year.

MR. J. DINN: Then, if I may, one last quick question. Basically, you're looking at this in the long run. In the end, the total amount will be spent but it will vary from year to year.

MS. ROBERTS-LODER: Yes.

MR. J. DINN: Thank you.

MR. LOVELESS: Just a point: Any unspent funds are carried over to the next year.

MR. J. DINN: Right. So it doesn't go on the debt, it's still in play somewhere.

MR. LOVELESS: Yeah.

MR. J. DINN: Okay.

MR. LOVELESS: I mean, like any process, not every application gets approved. It has to be within the scope of the program.

CHAIR: Thank you, Mr. Dinn.

I move to Mr. Parsons.

MR. K. PARSONS: Okay, I want to get back to what Mr. Dinn was saying there with the Grants and Subsidies. Every year it seems like it's a little bit less than what's always allocated there, budgeted for that year.

I know it's application-driven and stuff like that. Were there not enough applications this year? I'm just wondering about the application process. Were there lots of applications in? How many got turned down?

MR. LOVELESS: You're still on AFF, right?

MR. K. PARSONS: What's that?

MR. LOVELESS: You're on 2.1.03?

MR. K. PARSONS: Yes, 2.1.03, Atlantic Fisheries Fund, Grants and Subsidies.

MR. LOVELESS: I'll defer that to ...

MS. ROBERTS-LODER: In terms of AFF, the amount of the project could vary. Not every project that comes in is the same cost. In actual fact we have a number of harvesters, for example, that would be funded, but if they're coming in as individuals, it's probably a lower amount. In terms of the amount, it's not necessarily the number of projects; it's the amount of money that the projects total.

In terms of expenditure, to date in the province we've spent, as I said, \$15 million in terms of our provincial contribution, with \$35 million as the federal contribution because it's a 30-70 split, so \$50 million has been spent in total AFF contribution in the duration of the project since 2017. At this particular point in time, our province actually is leading in terms of the amount of projects that we are funding and the amount of money that we've funded.

MR. K. PARSONS: Okay.

You said the provincial money spent this year was how much?

MS. ROBERTS-LODER: The total, not this year. The total since the beginning of the program.

MR. K. PARSONS: Okay.

It was how much, \$21 million?

MS. ROBERTS-LODER: We've spent \$15 million in provincial contribution and \$35 million is the federal contribution, for \$50 million in total of AFF contribution.

MR. K. PARSONS: Okay.

Minister, I would also like a list and a breakdown, too, of what the projects were.

MR. LOVELESS: No problem.

MR. K. PARSONS: Okay.

When we deal with applications to the province, like the criteria, has that changed over the years? Are people receiving – I'm interested in where the money is getting spent in the program itself. Can you give us a little breakdown on how the processing or do the harvesters – what money is in there?

MS. ROBERTS-LODER: I can't give you the actual breakdowns per category, but I can say to you from a harvester's standpoint, we are funding a lot of automatic jiggers and fish tubs because they help with the fish quality. In terms of processing plants, we've invested in new technology that improves the yield for the cutting of the fish and improves the quality of the fish. In terms of aquaculture, we've had a number of innovative projects that have been funded.

MR. K. PARSONS: Okay.

I'm going to go to section 2.1.04. Again, I would like an explanation of the variance on the Salaries.

MR. LOVELESS: Again, that's due to vacancies within the division during the year.

MR. K. PARSONS: Okay.

When we go to Purchased Services, there's a small amount, but what's included here?

MR. LOVELESS: The variance is due to lower than anticipated Purchased Services expenditures during the year, but I don't know if the deputy wants to refer to what the actual amount represents.

MS. KING: This is just funding for printing, any meeting space and those types of things that might be required. Obviously, there was very little of that last year.

MR. K. PARSONS: Okay.

Under the Grants and Subsidies, we've been told that in the past this money was for science, cod recovery initiatives. Is this still the case? What projects are included this year or the past year?

MR. LOVELESS: I can confirm that it is for fishery science and resource and cod recovery, but I can ask the ADM to respond to the actual question.

MS. ROBERTS-LODER: In terms of where this money has been spent, \$500,000 of it is earmarked for a MUN scholarship each year, in terms of fishery science, resource management. The other amount of funding or funding projects that we've looked at this year, as I've mentioned earlier, we've done some things on green crab. We've funded a project on there. Most of the funding is going to projects under Marine Institute and Memorial University for research around fishery science and cod recovery.

MR. K. PARSONS: Okay.

I'm going to go to section 2.1.05.

In this section, Grants and Subsidies, this is for the fish plant workers employment program, so I gather there was no actual shutdown or any plants that needed to be subsidized this year.

MR. LOVELESS: You're right in terms of the scope of the program, what the money is for. The answer to the question – yeah, there have been no permanent closures and hopefully there won't be.

MR. K. PARSONS: Okay.

Are you aware of any plants that are possibly deemed to be permanently closed in the next year or so?

MR. LOVELESS: Not right now. Again, hopefully there won't be any.

MR. K. PARSONS: Okay.

Can you give me how many crab plants are currently operating in the province?

MS. ROBERTS-LODER: Just give me one sec.

Right now we have 24 plants that process snow crab.

MR. K. PARSONS: Okay.

How many shrimp plants are in the province?

MS. ROBERTS-LODER: Eight.

MR. K. PARSONS: Eight. Okay.

Section 2.1.06. Now, I understand that this was an inventory loan. This means that there was just \$27,000 paid on this loan this year?

MR. LOVELESS: Say that again. Sorry, I was flipping the pages and my hearing went.

MR. K. PARSONS: Okay.

I understand that this was an inventory loan. It seems that there was over \$27,000 paid on this, repaid. Is that what this is –?

MR. LOVELESS: Yeah, the revenue was received related to seal inventory financing from – I'm going to pronounce it – Phocalux for a 2019-20 repayment of loan.

MR. K. PARSONS: Okay.

I'm going to go to section 2.2.01. Can you explain the variance in the Salaries this year?

MR. LOVELESS: Again, that's for vacancies within the division during the year.

MR. K. PARSONS: Okay.

The difference, again, here in Transportation and Communications, I know you explained it, but it's a good bit of money that's been allocated. What happens to that money if it doesn't get spent? What do you do with it in the department?

MS. KING: If funding isn't spent in the department and it's not used to fund a variance somewhere else, then it goes to a positive impact to the province's bottom line, any savings that we have.

MR. K. PARSONS: Okay.

Purchased Services: What's included here?

MR. LOVELESS: That's primarily (inaudible) to snow clearing and wharf repairs.

MR. K. PARSONS: Okay.

One time there was a program offered for wharf repairs. Is that program still in place?

MR. LOVELESS: I'm told no.

MR. K. PARSONS: Okay. Why would you have wharf repairs if there was a program, no money there? You're saying it's for wharf repairs, but yet there's no program you can apply for.

MS. KING: The department owns a number of wharves, four of them in this case, that are aquaculture related. So while the program that would have funded community wharves and those things has ended, this funding is for wharves that the department actually owns and maintains.

MR. K. PARSONS: Okay.

Under Property, Furnishings and Equipment: What's included here and why is there such less spent than last year?

MR. LOVELESS: The variance is due to less requirement to replace equipment during the year. For instance, boat and scientific equipment for monitoring. The equipment was repaired instead of replaced.

MR. K. PARSONS: Okay.

I guess I'm finished now on that one.

CHAIR: Thank you, Mr. Parsons.

I now recognize Mr. Dinn.

MR. J. DINN: Thank you, Chair.

I just have to find my place again. I think I left off, yes, at 2.1.03. I'll just go back there; I have one or two questions on that.

The minister was tasked with using the Canadian Fish and Seafood Opportunities Fund to advance marketing initiatives, target new markets and leverage benefits arising from new free trade deals with Europe and Asia. Would it be possible to have an update on this fund? How much money has this fund leveraged?

MR. LOVELESS: I'll defer that question over to Lorelei.

MS. ROBERTS-LODER: In terms of the Canadian Fish and Seafood Opportunities Fund, as I had mentioned it's for pan-Canadian seafood marketing projects. Essentially, there was \$800,000 spent to date towards projects.

Unfortunately, those projects have not been formally announced yet because we do have a contractual agreement with the federal government, so there has to be a formal announcement, first release, to release the information. As of right now we've participated in seven projects for that amount of money.

MR. J. DINN: Seven projects? Thank you.

MS. ROBERTS-LODER: Again, those would be projects in a pan-Canadian light that would have an impact on the province, so they would benefit.

MR. J. DINN: Okay.

Would it be possible to have an update on the Seafood Innovation and Transition Program? What type of innovation is being encouraged and what new technologies, if any?

MR. LOVELESS: Do you want to repeat that, Sir?

CHAIR: Mr. Dinn, I think you need to repeat the question, please.

MR. J. DINN: Repeat that? No problem.

Would it be possible to have an update on the Seafood Innovation and Transition Program? What type of innovation is being encouraged and what new technologies?

MS. ROBERTS-LODER: Are you referring to under AFF or under a different ...?

MR. J. DINN: I'm just looking here in seafood innovation. I guess it would be under AFF as well.

MS. ROBERTS-LODER: AFF, in terms of the funding there are different pillars. Essentially, it's research development, innovative technology, marketing science and infrastructure.

Any applications that come in, they would fall under a pillar and that's how they're funded. Is that what you're asking?

MR. J. DINN: I'm just wondering if there is any particular type of innovation that is being encouraged.

MS. ROBERTS-LODER: Any type of innovation that increases, for example, yield in terms of fish, or allows harvesters the ability to eliminate bycatch, those types of things; anything that increases the quality of the fish. As I had mentioned earlier, for example, a lot of harvesters have invested in automatic jiggers and they've invested in fish tubs. That would increase the quality of the fish because you're not using gillnets, for example.

MR. J. DINN: Right.

Would any money of that go towards innovation in aquaculture, for example?

MS. ROBERTS-LODER: Yes, it would.

MR. J. DINN: What technologies would it support?

MS. ROBERTS-LODER: For example, in oyster farming we've had technology called an optic eye funded out of this pot. There has been a number of other aquaculture funding that has been funded under the innovation pillar. Unfortunately, I can't remember them off the top of my head right now but, certainly, the minister has agreed to provide a list and they would be included in that list.

MR. J. DINN: Okay. Thank you very much.

If I may go just back to 2.1.01 for a second. I just asked a question with regard to Purchased Services and I think you said it was related to travel and trade shows. I know it dropped a little bit.

I'm just wondering: Who would normally go to that? Would that fund department representatives? Would it fund industry representatives as well? Who would be the people attending the trade shows or would be covered by those services?

MR. LOVELESS: It depends on the actual trade show itself. For me, I haven't attended one yet, so I can't refer and give you an example of the one that I attended. The goal of any trade show is to showcase the province.

To your question, it would be just for staff, not industry.

MR. J. DINN: Okay.

Then industry would take care of paying their own way, more or less, if they were going to it.

MR. LOVELESS: Yes.

I did attend the Boston seafood show when I was with the former premier and stuff. I don't know, Kevin, if you've ever been to one of those shows.

MR. K. PARSONS: Always wanted to go.

MR. LOVELESS: Always wants to go. Well, I might take you if you're nice to me, if I ever get a chance.

MR. J. DINN: Keep the Third Party in mind, too.

MR. LOVELESS: Industry is certainly involved. It's a good show for government and for industry, no doubt, in terms of showcase.

MR. J. DINN: Okay. Thank you.

Just a few other questions there now. I'm just keeping track of my notes.

On to 2.1.05. I think you'll notice that there's due to vacancies – no, that's fair enough. I think you have that. What were the vacancies, by the way? I think that there was a decline of \$43,700. What position – I guess it is one position – was vacant?

MR. LOVELESS: You referenced? Sorry.

MR. J. DINN: Sorry, that's in 2.1.04. My mistake. My apologies.

MR. LOVELESS: I have to ask you to repeat, Jim.

MR. J. DINN: No problem. Gladly.

Under 2.1.04, the Salaries – and I think, Minister, you said that the decrease in that was due to vacancies. What was the vacancy or vacancies?

MR. LOVELESS: Vacancy, I'm told.

MR. J. DINN: Yeah.

MR. LOVELESS: Policy analyst, to confirm that vacancy.

MR. J. DINN: Is that a position that will be replaced then? It will be.

MR. LOVELESS: Yes.

MR. J. DINN: Okay.

On to 2.1.05. Just out of curiosity – and I know Mr. Parsons asked the question about crab plants – with regard to supporting communities and individuals affected by plant closures, has the government explored a means of keeping plants open, such as allowing plants to produce and process more species of fish? Is that always a possibility?

MR. LOVELESS: Well, it's certainly a hopeful prospect, I guess. Like any fish plant and any processor in this province, they have to have the resource to put through the plant in order for it to operate. That resource, the allocation, they're given to harvesters. Harvesters sell to processors and therefore plants operate. I don't know if that answers your question or confuses you any more.

MR. J. DINN: That could be a mixture of both, Minister. That, I can only assure you.

I'm just curious, certainly in terms of the – we heard a lot of talk about redfish and I've spoken to a few people. There's a hope there that the redfish will solve a lot of those problems – or help solve a lot of those problems as well.

MR. LOVELESS: Yeah.

Redfish – the most recent conversation I had around that it kind of excited me, because as a young fellow, redfish provided a lot of employment out on the South Coast, especially for my own brothers. To realize that there's a healthy quota there that can be hopefully used in this province to create employment is very positive.

I'm glad you mentioned that in terms of redfish. I think Kevin mentioned it today in his notes, as well, around redfish. I think we're all on the same page in terms of hopefully that quota will be available for the province so we can put people to work.

MR. J. DINN: One quick question before my time runs out.

With regard to the Seal Product Inventory Financing, I'm just wondering and I think you partially answered mine, any loans in particular that are being repaid here and why was the projected repayment amount lower than anticipated? Just fewer people paying it back or ...?

MR. LOVELESS: I'll defer that to the deputy.

MS. KING: This is a single loan for Phocalux. Last year –

MR. J. DINN: I'm sorry, would you spell that?

MS. KING: Sure, P-H-O-C-A-L-U-X.

MR. J. DINN: Okay.

MS. KING: That was their repayment amount for last year, which was lower, and so this year we're hopeful that they will be able to make further payment on the loan.

MR. J. DINN: Okay, thank you.

CHAIR: Thank you, Mr. Dinn.

Mr. Parsons.

MR. K. PARSONS: Thank you.

I'm going to go to section 2.2.01. Again, there's a variance there in the Salaries. We didn't spend as much and we're spending a bit more this year. Can you give us ...?

MR. LOVELESS: That's 2.2.01, right?

MR. K. PARSONS: Yes.

MR. LOVELESS: Salaries?

MR. K. PARSONS: Yes.

MR. LOVELESS: That was due to vacancies within the division during the year.

MR. K. PARSONS: So, obviously, you're planning on hiring somebody this year, is that the case?

MR. LOVELESS: Oh yeah, and the extra pay period, too, Kevin. Twenty-seven pay periods this year versus 26, so that's the salary adjustment required for '20-'21.

MR. K. PARSONS: Okay.

MR. LOVELESS: I don't know if you were asking that or not.

MR. K. PARSONS: What's that?

MR. LOVELESS: I don't know if you were asking that or not.

MR. K. PARSONS: No, no, that's okay, because my next question was (inaudible).

MR. LOVELESS: Okay.

MR. K. PARSONS: Okay.

Under Purchased Services: Can you tell us what's included here?

MR. LOVELESS: I think you asked that question before.

MR. K. PARSONS: Did I ask that question before?

MR. LOVELESS: You did. That was the snow clearing and the wharf repairs.

MR. K. PARSONS: Oh, okay. Yes, okay. I have a note made of that.

But my question is, obviously you repaired last year, so what are you doing with the wharves this year? Are you replacing wharves?

MR. LOVELESS: I haven't been a part of any conversation about replacing any wharves, but I'll ask the deputy.

MS. KING: Thank you.

It's really about if there is kind of a capital, a larger repair that's required. That's what would fall under Property, Furnishings and Equipment, whereas minor maintenance would fall under Purchased Services.

MR. K. PARSONS: Okay.

I have some questions here now under that section. Can you provide an update on the status of the Grieg aquaculture project?

MR. LOVELESS: The Grieg project?

MR. K. PARSONS: Yes.

MR. LOVELESS: Give me a minute.

I'm sure you're familiar with the ACEP, which is the Aquaculture Capital Equity Program. That was established by government to assist with the increasing production of commercial aquaculture operations in the province, and one being Grieg. Under that program, \$2 million was budgeted to be advanced to Grieg in 2019-20

and \$3 million in '20-'21, for a total of \$5 million. They will be paid based on their – and some of it being construction milestones. Once they reach their milestone, they will be paid.

MR. K. PARSONS: Okay. Actually, I had the opportunity to visit their project probably about a month or so ago. It was pretty impressive, to tell you the truth.

MR. LOVELESS: Yes, I haven't had the chance yet, Kevin, but certainly looking forward to it. Because I know you've visited the South Coast, too, and know how much the aquaculture is certainly a pillar for employment in those areas.

MR. K. PARSONS: Definitely.

Can you give me an update on the Canada-Newfoundland MOU on aquaculture?

MR. LOVELESS: I'm going to defer that one to Lorelei.

MS. ROBERTS-LODER: In terms of the Canada-Newfoundland aquaculture MOU, we're currently still in discussions with the federal government on that. We have had a number of meetings, but there is nothing solidified yet in terms of an agreement.

MR. K. PARSONS: Okay.

Can you give me an update on anything in regard to the new federal government aquaculture act?

MS. ROBERTS-LODER: The federal government aquaculture act, they're currently in consultations on that right now. We are involved in a working group with the federal government on the development of that particular act. Right now, as I had mentioned, the federal government has done consultations and they're doing another round of consultations. Actually, during this period they're preparing for that.

MR. K. PARSONS: Okay.

Is the federal government giving you any timelines on when they're ...?

MS. ROBERTS-LODER: They have not, in terms of when they think they will have everything ready.

MR. K. PARSONS: Okay.

In July, the former minister announced \$725,000 funding for the aquaculture industry for a new 32-foot boat and upgrades to the lab facilities in St. Alban's and support for the development of the Bays West and Bay d'Espoir. Has this money been spent and if so, on what?

MR. LOVELESS: You're correct. For the Bays West salmonid aquaculture development it was \$720,000 and also for aquaculture there was a fish and seafood live holding and cold-storage study. But in terms of to date progress I'll give that to Lorelei.

MS. ROBERTS-LODER: In terms of to date, that money was under the COVID. There's \$500,000 that's allotted for the vessel and we've gone through first round with the vessel to develop the specs. So we're working with the provincial purchasing agency now to identify the best way to go about looking for the builder for that boat to do the specs.

The other piece is for the lab in St. Alban's. The contract has been awarded to do some renovations, so it was to remove the live holding tanks up in the second floor that were causing some leakage issues. That has been removed. Now the second piece of that will be occurring to actually put offices and do the renovations to that space.

MR. K. PARSONS: Okay. I noticed in the –

MS. ROBERTS-LODER: I believe Air-Tite was the ...

MR. K. PARSONS: Okay.

The budget referenced the \$5-million repayable assistance loan to Grieg and it also mentioned that it's going to generate over 800 jobs. Can you provide some detail on that?

MR. LOVELESS: On the up-to-date employment numbers?

MR. K. PARSONS: It's a \$5-million repayable – we talked about it in the very first question, I think, I asked you about. You said it was \$5 million for a loan to the project.

MR. LOVELESS: Right.

MR. K. PARSONS: In the budget it also said that this would generate over 800 jobs. I'd like you to provide the detail on that.

MR. LOVELESS: Yeah, and you're right. There was a budget line of \$5 million in repayable assistance for Grieg. So I'll ask Lorelei if you want to (inaudible).

MS. ROBERTS-LODER: In terms of the particular positions, it's approximately 850 jobs. That includes construction, supply and service and it also includes those who would be in operations. The \$5 million was for the construction and operation of the hatchery and the nursery piece that's contributing and that's the milestone for that. But it is \$5 million from a \$30-million commitment over the next seven years. The total number of jobs for the entire project is approximately 850 jobs.

MR. K. PARSONS: What stage are they at with the project? I know that they had the first stage done where they had the fish there. Where are we now on the project?

MS. ROBERTS-LODER: In terms of where they are now, they're just finalizing their final pieces of the milestone for the hatchery and the nursery. They will have met the milestones for that, we believe, in the coming weeks, the next number of weeks.

MR. K. PARSONS: Okay.

The seafood marketing and innovation fund: In July the former minister announced a one-time \$400,000 seafood marketing and innovation fund to support marketing for seafood products.

How much of this has been spent and on what? How is this different from the existing fund in the department?

MS. ROBERTS-LODER: In terms of the seafood marketing and innovation fund, this is a pot that was put in place specifically to address

some issues that had been caused in the seafood industry with regard to COVID in terms of marketing and developing new product lines. Restaurants were closed so they had to move their product from restaurant packaging, for example, to being able to provide it in retail.

In terms of what has been spent to date, we have two projects that we're in the process of approving. We have a number of other applications in the queue that we have been adding in. Now, we have no idea if all of these will actually meet the criteria for the actual program.

There's only \$400,000 for this program so it will be kind of first-come, first-served in terms of the application process. We're looking at probably about \$100,000 of that in the first two projects.

CHAIR: Thank you.

Mr. Parsons, your time has expired.

As I said at the beginning of the Estimates, midway through we would take a break. I'm suggesting that we reconvene at 7:42, take a 10-minute break to give anybody an opportunity if they need to use the washroom or make a telephone call.

We'll reconvene Estimates at 7:42. Thank you.

Recess

CHAIR: All right, we'll get back to our Committee business here.

I look down to the MHA for St. John's Centre, Mr. Dinn.

MR. J. DINN: Thank you, Chair.

If I might go to 2.2.01, I just want to go back to Purchased Services and just to verify what I've heard. Mostly that \$50,000, if understood it, had to do with wharf repair and snow clearing of wharves and facilities. Would that be correct?

MR. LOVELESS: Yes.

MR. J. DINN: Those wharves would be primarily used by the aquaculture?

MR. LOVELESS: Correct.

MR. J. DINN: Would that be open to the public as such? Could anyone tie up there?

MR. LOVELESS: No. I can stand to be corrected, but these are clean wharves and they're used for the aquaculture industry. So it's not for you or I to use.

MR. J. DINN: Okay.

That's money that we're paying to take care of the maintenance of those wharves for the aquaculture industry.

MR. LOVELESS: Correct.

MR. J. DINN: That's in addition to the aquaculture investment below. Are they sharing in the maintenance or the clearing at all of that? Or is that our share? Is that the total amount that we budget to do that?

MR. LOVELESS: It's not just for snow clearing and –

MR. J. DINN: No, no, I understand that. But in terms of anything to do with wharf maintenance for those wharves, are the aquaculture industry or companies that are using it, are they paying anything for those services or is that entirely something that the province is paying for?

MR. LOVELESS: I'll ask Lorelei.

MS. ROBERTS-LODER: They do lease those wharves. The actual amount that they pay doesn't come in to the aquaculture development budget; it goes into another budget in the department. So it's not reflected here but each one of those companies lease the wharves.

MR. J. DINN: Okay.

If I may then, they lease them from us so that's what the province is paying to maintain them, let's say. That covers a (inaudible). The lease amount, what would they be paying in lease? Would the leases that they're paying, would that cover the cost of this or less or would we be making a profit on it? I'm just curious, I mean it's –

MS. ROBERTS-LODER: Unfortunately, I can't answer that. I would have to get that information for you.

MR. J. DINN: I would love to have that information, please, that would be great.

If I may, in 2.2.02, and I think you touched on this, but I wasn't sure if I was hearing it for the right section. The money then, this is part of a \$30-million commitment to Grieg?

MR. LOVELESS: Yes.

MR. J. DINN: Okay.

They were looking at 850 jobs. Why the increase then? It was \$2 million up to \$5 million from last year, is that to be expected?

MR. LOVELESS: That's the budgeted amount and payable to them based on their milestone, which I think Lorelei had mentioned before about the construction milestones, so around the hatchery and stuff.

MR. J. DINN: Okay.

If I may then, just a general question on this section here before I go to further questions on 2.2.02. The percentage of fish – I'm just looking at – there's the hatchery stage, there's the sea pen aspect of it and then there's the processing. What is the percentage of fish processed within the province? How much of it is processed and how much of it is shipped out head-on, gutted?

MR. LOVELESS: I'll just say a few words to that. That depends on the fish plant itself. In my district I have Cooke Aquaculture and I have Mowi, which is operated in Harbour Breton by Barry, and a lot of it is market driven. Head-on, gut is what the market – that's what the company has been saying. But obviously, as an MHA, I fight for more jobs in Harbour Breton and more hours. We've had this conversation as well. But the companies say it's all market driven.

It can vary. I can't say what's good for one company is good for the other in terms of the actual fish plant. In terms of numbers, I don't know if you can add anything to that, Lorelei.

MS. ROBERTS-LODER: (Inaudible.)

MR. LOVELESS: No. So I don't know if that answers your question.

MR. J. DINN: I think, Minister, you know where I stand on aquaculture and the whole need. If we're going to do it, let's do it sustainably and preferably without damaging our wild Atlantic salmon stocks. I'm just looking at it, if we're going to be doing this and they're getting a pretty good deal here – let's face it, the companies are in the pristine waters that we have – I would hope that we are getting a bigger bang for the buck in terms of the processing, so that's where the jobs are.

As I understand it, Grieg, for example, is there a still a requirement that 75 per cent of the fish must be processed to the fresh fillet stage for them to operate? Is it 25 per cent for head-on, gutted? Would you know that?

MR. LOVELESS: I'm going to say yes to that and I think I'm correct in saying, yes.

MR. J. DINN: Okay.

But that wouldn't be the requirement then, as you pointed out, for Mowi and Cooke Aquaculture and the others? They may be under a different regime?

MR. LOVELESS: Correct. But I guess in all fairness, those conversations that I had with them, because what happened last year and this year with COVID-19, we face all these challenges. So markets can change, no doubt about it.

Just to go back to your comment about doing it right. I value your concern, no doubt about it. But, Jim, if you want to sometime come to my district, I'd be happy to take you to – and I say this out of much sincerity because I've visited the new sites, and my ADM has done it as well. I've voiced those concerns about growing fish in our pristine waters and what we expect of those companies.

Mowi itself, I visited the actual sites when they had the new depth cages. They talked about how many fish they would like to grow. I'm telling you, it's meaning that a possibility that the plant

in Harbour Breton would be operating 12 months out of the year. That's encouraging overall.

But I do encourage you. I would arrange to have you on the site, no doubt, and I say that with much sincerity. You too, Kevin.

MR. J. DINN: Minister, many years ago I visited one. My only regret is that I didn't bring my salmon rod with me at the time, nevertheless.

Sustainability is going to be the key word here.

MR. LOVELESS: Oh, absolutely.

MR. J. DINN: Also, if we're going to be doing this, then I think we really need to be making sure that there's the maximum bang for the buck for the people who work in the region. Instead of just shipping it out, head on, gutted, I think that it's a better deal with Grieg. At least that's a start but I think we need to look at how we process more and really ramp up the production for our own people here, if we're going to invest in it.

MR. LOVELESS: No, totally and I agree with you. Even the fish plant in Hermitage, they have a robot there. Everybody always asked the question: Does machinery take away jobs from ordinary individuals? For that robot alone they will need four positions to maintain it because it's quite technical. It eliminates, really, two jobs but we're gaining – two, actually, because there are four jobs replacing two.

MR. J. DINN: But we're also getting more skilled labour as well, which is a good thing.

MR. LOVELESS: We are. The robot eliminates, too, the older folks who are on the fish plant, the lifting. It looks after their health and safety as well. It's, as you said, good bang for the buck.

MR. J. DINN: Perfect. Let me see ...

The money for the program – just to make sure, I think I know what the answer is. The capital investment equity is coming from what agency, from the department itself or as part of the province's –?

MR. LOVELESS: I'll ask Tracy.

Yeah, from the department. Correct.

MR. J. DINN: Okay.

Perfect, on to 2.3.01 – I'm just about done – very quickly. The Purchased Services, again, that's for the maintenance of the wharves? Is that what I heard you say to Mr. Parsons? Did I hear that correctly?

MR. LOVELESS: For Purchased Services?

MR. J. DINN: Yes.

MR. LOVELESS: The variance was due to major work conducted on reportable disease and mortality events with aquatic animals in Newfoundland and Labrador due to the events of last year.

MR. J. DINN: I'll leave it now but I would like to finish out one or two questions on that section.

CHAIR: Mr. Parsons.

MR. K. PARSONS: Mr. Dinn, if you want to finish up a couple of questions, you can go ahead.

MR. J. DINN: I'm just going to the Professional Services. I'm looking here in terms of the cleaner fish. Where are we with cleaner fish? Especially in dealing with the problems – the use of cleaner fish, such as RAS and lumpfish, present themselves. Where are we with that? Now I think that was part of the mandate of Marbase in Marystown.

MR. LOVELESS: Right. I'm not going to answer it as such. I'll leave it to Lorelei to try to answer that if she could. She's visited a lot of the sites, which is certainly good in terms of seeing what the operations are.

MS. ROBERTS-LODER: I have visited the sites but, obviously, Marbase wouldn't be one of them because I believe they're just going through or just been released from an environmental process. In terms of where cleaner fish are in terms of the development piece, I know primarily right now there is lots of

work going on at the Marine Institute around cleaner fish. I do believe Marbase is working with them as well.

A lot of the companies are getting their cleaner fish from other locations; I mean they're natural cleaner fish out of the ocean. In terms of Marbase, I really can't tell you what the status of that company is at this particular point in time, but they obviously aren't –

MR. J. DINN: I was more interested not necessarily about Marbase, just about the whole progress on cleaner fish, whether they are as effective or not and the use of therapeutants as well. I don't know how far down that line we're proceeding with use of cleaner fish to try to control the sea lice infestations.

MS. ROBERTS-LODER: In terms of the use of cleaner fish, yes, it is certainly something that is being used by the industry. They are having good success with it, yes, those who do have a good supply. For example, there are a number of companies that do have a good supply of cleaner fish and they're having good success rates.

MR. J. DINN: Okay, Mr. Parsons, do you have any questions because I have a few more on this. I'll come back to them. I don't want to take up your time too much.

MR. K. PARSONS: (Inaudible) on this section, too.

CHAIR: Mr. Parsons.

MR. K. PARSONS: Okay, thank you.

I just want to go back to Mr. Dinn's question on the packaging and the processing of the fish coming out of our aquaculture industry. I know, being down there and looked at the walls on Cooke and talked to Mowi about the amount of spinoffs that are in Central Newfoundland, when you look at their map on the wall down there – and I'm sure you've seen it.

We're asking Grieg to do 75 per cent. Is there a percentage that we're asking? Is there any percentage that we know how much is coming out? I know each year it's always said that's it's always based on the markets, time of year and stuff like that but, in actual fact, when you look

at processing, most times it's sent to New Brunswick. It's just packaged; the date, package, gives them a couple of extra days on the fish when it goes to the market. Why aren't we demanding that more market-ready fish is not done in the area?

MR. LOVELESS: There are two answers, I guess, in terms of the two companies. It's a question that I have asked even before I became minister, when I was elected, with Mowi company. Bill Barry operates the plant but they supply the fish. I had concern about that, and I don't mind admitting it here, in terms of more work being done at the plant. That's in Harbour Breton. Their answer to me at the time was around what the market was calling for at that time.

Cooke Aquaculture hasn't stopped work. There's only been a delay of a couple of weeks. They focus more on filleting. My question is, let's do that in Harbour Breton as well. In terms of your demand to them – say 75 per cent versus Grieg – it's a point well taken. I'm going to be demanding it of the companies because we need the employment in Harbour Breton.

MR. K. PARSONS: There are companies in Grand Falls and the Bishop's Falls area that do a lot of packaging and shipping of the product. I'm sure there are other companies there that I spoke to that would love to see a little bit more. The capability of doing it is definitely there but it's the company itself.

It's something, Minister, I'd really think on. I know you will because it's your area, but any time we can do the secondary processing, it's something that we really have to emphasize to the government.

MR. LOVELESS: Absolutely. The cage building is happening in Harbour Breton as well. Right now, Mr. Manning has about north of 70 people employed. That's a big operation in rural Newfoundland and Labrador. It's not just about – those cages have to be built, but supplies. There are a lot of spinoffs.

I hear you. It's around secondary processing because we know that provides more benefits and more employment for the people, whether it

be Harbour Breton or some other community in Newfoundland and Labrador.

MR. K. PARSONS: I just want to go back to the seafood marketing and innovation fund. I know you said there were two projects. I'm just wondering what those two projects are.

The seafood marketing and innovation fund, you mentioned two projects. I think you said there was \$100,000 spent on them so far.

MS. ROBERTS-LODER: I can tell you that there is one for an aquaculture company and, off the top of my head, I can't remember the second one.

MR. K. PARSONS: Okay.

When it started back in, I'd say, June the minister had made some announcements. There were announcements made about cold-storage units. I believe there was one that was marked for Gander and another one for Port aux Basques. Is that a part of this fund and if not, where did the money come for that?

MR. LOVELESS: I believe you're referring to – that's under the economic recovery initiatives, right?

MR. K. PARSONS: Yes.

MR. LOVELESS: I'm thinking you're referring to the post-pandemic seafood marketing.

MR. K. PARSONS: Yes.

MR. LOVELESS: There was \$400,000 that was announced, but I don't know what the status is of it, Lorelei.

MS. ROBERTS-LODER: If I may, there's actually two different streams: one is the seafood marketing and, as I said, that's to change the packaging, to adapt to the changes that COVID has caused; and the other piece is to do a study of cold-storage live holding, seafood live holding.

Essentially what's happening to that is there is a working group that has been struck that is made up of the processor groups – Association of

Seafood Producers, SPONL and NAIA, representing the aquaculture industry – that are working with the province. There has been a call for requests for proposals to look at a consultant to do the study because that information needs to be identified as to where best – Gander has been identified, but we need to make sure that it's close proximity and that it does support Gander as the location for a live holding or cold storage because there may be other areas that there could be benefits. It's open to wherever it would best fit. So that is a process that's actively under way.

MR. K. PARSONS: Okay.

Minister, I would like to ask you a question now, it's something that I've asked every minister since we've been doing this, about capelin. What are your thoughts on the capelin fishery?

MR. LOVELESS: It's a necessary fishery and, to be honest with you, right now I don't have an answer for you in terms of what my plans would be for the capelin fishery. But I know it's certainly valuable in this province. Again, I guess I'm allowed to say: I don't have an answer for that right now.

MR. K. PARSONS: Okay.

MR. LOVELESS: But I know you had offered to have a conversation with me and I certainly welcome that conversation piece.

MR. K. PARSONS: Just speaking to harvesters in the province, and a lot of harvesters, particularly in my area, they're noticing the capelin is a lot smaller than it was in previous years. It's later coming and most harvesters feel that it has an impact on what's happening with our cod stocks. So I think it's something that the department – and if you want to have a discussion, I could definitely have a discussion with you.

MR. LOVELESS: Yeah, no. Listen, I certainly welcome. I don't sit here and put up my arm and say: Listen, I have answers to everything.

MR. K. PARSONS: No, and I appreciate that, but this is a discussion that should be had.

MR. LOVELESS: Yeah, absolutely.

MR. K. PARSONS: I also would like to just have your opinion on this year's reduction. In some areas there was a reduction in crab, and some more areas there was a small increase. I think 3K had a small increase and 3L was a reduction. I don't know what analysis is done by the department on these quotas. I know it goes to the side with different people coming and giving answers, but what analysis is done by the department to determine the amount of quota? I know it goes to DFO, but is the department doing anything in these two particular fisheries to look at what the quotas are?

MR. LOVELESS: Yeah, well –

MR. K. PARSONS: And I do understand DFO does the final ...

MR. LOVELESS: Right. I'll ask my ADM to speak to the analysis piece.

In terms of the numbers around the shellfish, I mean it is concerning because there have been reductions, whether that be shrimp or crab. We know this year price was down, that's another mechanism of it. I think overall, you agree, that even though the price was a challenge this year and fishermen in the hope that they get more, but overall it was still a good year. I have and you have friends that are crab fishermen.

The analysis piece, I'll defer that to Lorelei.

MS. ROBERTS-LODER: In terms of answering your question, you're quite right, DFO, they do issue the quotas and they are responsible for fishery science. Essentially the province is a stakeholder in fisheries and we do participate with DFO and with other stakeholders in the fishery as part of the science briefings and updates on what is happening in the fishery.

In terms of the impact or the amount of say that we would have over the quota, we can indicate if there's something out of whack with what we're hearing or seeing. But, fundamentally, the department generally looks at what the science says and what the science bears in terms of where we would stand on quotas.

MR. K. PARSONS: Okay.

The federal government announced, I'd say, about four years ago about all of the new science that they were going to do when it came to the different stocks and stuff like that. Have we seen any additional research or science that has been done in any of this? I don't believe we have. I know there was a major announcement about a couple of hundred people being hired to do it, but I don't know what the status is there.

MS. ROBERTS-LODER: In terms of what we've seen, this year is obviously a very different year than any other year. Because of COVID a lot of the science work was restricted. In terms of when the actual science work that would be undertaken, it obviously doesn't happen during the winter, it happens when the fishery is active and that was when COVID came on. We've seen quite a pullback from science, but we've noticed that later on in the season that they have been active with science activity. So there were a number of commitments to do a number of surveys and things like that on the fishery but, as I said, this year has been a bit of an odd year.

MR. K. PARSONS: Okay.

CHAIR: Mr. Dinn.

MR. J. DINN: Thank you, Chair.

These next few questions, basically, most parts centre on 2.3.01. I think that's it then of what I have to ask.

Under 2.3.01, Professional Services and Purchased Services. I just want to make sure, Purchased Services, the increase in the actuals, would that be related to the die-off that occurred? I notice it jumps in budgeted 2019-2020 from \$301,000 to \$538,000.

MR. LOVELESS: Yes, that was due to the work conducted on reportable disease and mortality events with aquatic animals in Newfoundland and Labrador due to the events of '19-'20.

MR. J. DINN: Of 19 ...?

MR. LOVELESS: Year 2019-20.

MR. J. DINN: Okay, sorry. Wow, that's going back quite a ways. Good memory. Okay.

I would assume, then, the Professional Services and the Purchased Services probably involve something along the lines of veterinarian services and so on and so forth, correct? Here's my question, because this is basically coming out of the budget of the province: Did we recoup that from the aquaculture industry or the companies themselves responsible for it? If we provided that veterinarian service, is that a service that they pay for?

Also, with regard to the actual budget, that's significant; not quite but almost double the amount. I'm just wondering is that something we absorb or are they responsible for paying that money back to us. I'm just wondering what happens to it.

MR. LOVELESS: In terms of the company itself, they do make payments to the province in terms of employment. I know that doesn't directly answer your question. I'll ask Lorelei if she wishes to comment on it.

In terms of return to the province, there is a return to the province in terms of what the companies do for workers. I don't need to get into – they pay taxes and all that.

MR. J. DINN: No, but if I'm responsible for an oil spill on my property, let's say, it's not going to be the province. If the province or the municipality ends up cleaning it up, they're going to bill me for that. It's going to come out of my pocket sooner or later. That's where I'm going with it.

If it's coming out of the province – and I understand all things being equal – are they not responsible then for reimbursing the province for that extra expense?

MR. LOVELESS: If you're referring to cleanup and whatnot, it is in the public interest. The companies did the cleanup and they paid for the cleanup, especially when we had the die-off. There was money that was spent by government but it was certainly done in the public interest.

MR. J. DINN: Okay.

Are we going to be getting any of that money back from the companies themselves then, for that, the extra money we had to spend?

MR. LOVELESS: We're not getting it back from the companies, no. It's an investment in the public interest.

MR. J. DINN: I know we'll differ on this, Minister, but I think in that way if a company is responsible for it, then they, I think – it's being good stewards and good citizens – should be held accountable for it. Certainly if it's a cost to the taxpayer, in addition to everything else, I think at that level they should be responsible for reimbursing the province.

I understand investment in a wharf and all these things. That makes sense. But for a mistake by a company, I think really they need to – whether it's a mistake or a natural die-off or whatever else – reimburse the province for that. We just don't have the money to cover that off.

MR. LOVELESS: Point taken.

MR. J. DINN: I just want to talk about Grieg. Before Grieg begins operation, if I understood correctly, it's supposed to have a baseline assessment of the salmon populations and the ecosystem. Has that been done? Have they carried out any of those assessments to find out what the salmon populations are? Only because, if an escape or if the wild Atlantic salmon stocks are affected, we will never know by how much if we don't have that baseline assessment done first.

MS. ROBERTS-LODER: MHA Dinn, that's a question that would be part of the environmental assessment. I would think that the Department of Environment, Climate Change and Municipalities could better answer that in terms of the information that they have on hand as part of the environmental assessment. Those were some of the conditions that were set out and the information that they were asked to provide.

MR. J. DINN: Okay, so they should have that. Fair enough.

I understand it here that Grieg will be still using triploid salmon. Will they be required to clip the

adipose fin of farmed salmon so that should they escape they're easily identified?

MS. ROBERTS-LODER: Grieg actually has, as part of its environmental assessment release, a requirement to look at tracking. Some of the things that they're looking at doing are from a genetic standpoint. Not necessarily a clipping of the fin because a clipping of the fin could be harmful to the fish, but in terms of genetic makeup. This is why triploid fish would be used, because they're certainly a different genetic makeup

MR. J. DINN: No, I agree. They can't breed, but they could also compete for food or muscle out other fish as well.

I'm looking at this from a recapture point of view. I know down in Bay d'Espoir many years ago you could catch all the rainbow trout you'd want. It was an open season on them, easily enough identified for that reason. If I'm an angler and I'm catching a fish and it comes in with a clipped adipose fin, great. Maybe it doesn't count towards the quota that you have, but I'm taking an invasive species, for all intents and purposes, out of the natural ecosystem. That's where I'm going with that.

I would assume also that these fish would be treated with some sort of antibiotics before they're put into the cages as well, somewhere along the line, correct? At that time, I was thinking maybe that's where the clipping of the adipose fin could be part of that.

Do you know what recapture program they have? If you have a mass escape, have they come up with a protocol for that?

MS. ROBERTS-LODER: Yes, there is protocol for that. There's actually a joint management process, it's called the Code of Containment. That governs, or I should say it manages, escapes; it's a joint federal-provincial. Essentially, the federal government is responsible for the escape piece in terms of issuing the licences and what happens after. There's a whole management process that requires all companies, not just Grieg, to look at having a process in place, to identify why the escape occurred and to have measures in place to capture the fish should they escape.

MR. J. DINN: Okay.

That's within a certain period of time, hopefully. If days pass, these fish could be anywhere really. It would be harder to recapture them I would think.

MS. ROBERTS-LODER: In terms of a fish escape, it's to be reported immediately and it's to be acted on immediately. One of the changes, as part of the new policy and procedures manual, was to actually look at having the recapture licences issued as part of the aquaculture licence at the same time, because there used to be a delay sometime ago in terms of DFO issuing the recapture licence. That's no longer the fact, so it can happen immediately.

MR. J. DINN: Good.

Two last questions and I'll throw them out; one has to do with hopefully a land base. Are we doing any research at all or investigation of total land-based aquaculture for finfish aquaculture? Secondly, I'm just wondering with regard to the sea lice protocols, do we have protocols in place that would – for example, if sea lice reach a certain threshold, that the fish are harvested. That production stops and the fish are harvested because, as we know, sea lice present the greatest threat certainly to salmon smolts, especially those leaving the rivers.

They could be fatal. I'm just wondering what the protocols are around sea lice management in those cases? It's just two questions and I'm done.

MR. LOVELESS: In terms of land base, Jim, right now land base in terms of the industry is around the hatchery. We're not moving towards land base, as what you're referencing. Right now, we're continuing on in the industry as it is and that's growing fish in the water, not on land.

In terms of the sea lice protocols, I'll ask Lorelei if you want to just touch base on that.

MS. ROBERTS-LODER: In terms of sea lice protocol, as of January 2021 there will be a sea lice management plan. Each company will be required to have that in place. There will be thresholds in place and they'll be responsible for reporting that publicly.

That is currently being developed as we speak and we'll be ready for January 2021. That was the commitment.

MR. J. DINN: They'll be available I guess? They'll have that? Thank you.

Thank you, Chair.

CHAIR: Thank you for your questions, Mr. Dinn.

The MHA for Cape St. Francis indicated that he concluded his questions in this section, so with that I would give the floor the opportunity to – the MHA for Mount Pearl - Southlands, Mr. Lane.

MR. LANE: Thank you, Mr. Chair.

The first one I'm just looking for some clarification. The Atlantic Fisheries Fund – so I'm 100 per cent clear – I think you said \$51 million over five years, or seven years or something like that? No? What did you say then?

MS. ROBERTS-LODER: In terms of the Atlantic Fisheries Fund, provincially, what we spent to date are the actual numbers that you're looking at. Just give me one second now.

MR. LANE: \$15 million you said.

MS. ROBERTS-LODER: Yeah, it was \$15 million that we spent to date.

MR. LANE: You said that was worth –

MS. ROBERTS-LODER: It's a total of \$50 million, fed and provincial combined, that we've spent to date.

MR. LANE: Yeah, because \$15 million is our one-third share.

MS. ROBERTS-LODER: The \$15 million, yes, is our 30 per cent.

MR. LANE: Or is 30 per cent, right?

MS. ROBERTS-LODER: Yeah.

MR. LANE: Thirty per cent is \$15 million, so we've spent \$50 million?

MS. ROBERTS-LODER: Total AFF contribution has been \$50 million.

MR. LANE: Okay.

That's \$50 million of how much, how much more is there?

MS. ROBERTS-LODER: Of the total amount for AFF?

MR. LANE: Yeah, what I'm getting at is that –

MS. ROBERTS-LODER: The provincial –

MR. LANE: What I'm getting at is that at one point in time I can remember the former administration had said – we remember the thing at The Rooms and there was going to be a couple of hundred-million dollars, whatever it was. That was a Newfoundland fund. Then, of course, the new administration came in and said, no, it was changed to an Atlantic fund and we were going to get so many million dollars. How much was that?

MS. ROBERTS-LODER: The total over the seven-year period for the province's contribution is \$41.8 million.

MR. LANE: \$41 million. That's our share, right?

MS. ROBERTS-LODER: That is our share and then the difference would be –

MR. LANE: This program is going to get about \$135 million?

MS. ROBERTS-LODER: Then it would be an additional – 70 per cent is the fed contribution.

MR. LANE: Yeah, so about \$135 million in total, roughly. We'd table about \$40 million and they'd put in the other \$80 million or –

MS. ROBERTS-LODER: Seventy per cent.

MR. LANE: No, they'd put in \$135 million.

MS. ROBERTS-LODER: They put in 70 per cent.

MR. LANE: Yeah. If we're putting in \$41 million, then they must be putting in about \$135 million, roughly.

MS. ROBERTS-LODER: Yeah.

MR. LANE: Okay. That's about \$200 million cost-shared altogether.

MS. ROBERTS-LODER: Yes.

MR. LANE: All right. Thank you for that.

I just want to touch on the Grieg aquaculture. Just for my clarification, you said we're going to be putting in \$30 million over a number of years – \$5 million this year. The trade-off, of course, is 800 jobs and there are spinoffs and everything else. I understand that.

But you said the 800 jobs included construction and everything else. Just forget about the construction. Construction is good, but once it's done, it's over. How many permanent sustainable jobs are there after the construction? How many people will be actually working there year over year over year in that facility roughly?

MR. LOVELESS: I don't have that number. We can get that for you, Paul. I don't have that direct number in front of me. We're thinking it might be 250, but we will confirm that for you.

MR. LANE: Roughly around 250?

MR. LOVELESS: Yeah.

MR. LANE: Year over year. Okay.

MR. LOVELESS: Yeah.

MR. LANE: I'm just trying to put a perspective of the number of permanent jobs versus – we're putting in \$30 million and then, of course, we've invested in the wharfs. Now, like my colleague said, we had the spill and we took care of that, so it all adds up. I'm just trying to put it in perspective.

MR. LOVELESS: Sure.

MR. LANE: I understand the benefit of the jobs and all that kind of stuff, but then you have to kind of look at the other side of how much are we taxpayers putting in to create that. At one point in time I know there was – and this might be taken care of now – occupational health and safety in the fish plants. At one time I know there was – not a committee, that’s not the right word – an association or whatever, to look after the fish harvesters and then there was supposed to be another one for the fish processors.

There was some incentive money that was going to the fish processors, but then they wouldn’t take you up on the offer for whatever reason and it didn’t happen. Is that happening now? Do we have a health and safety association, or whatever, for fish plants?

MR. LOVELESS: I think the companies have their own, I’ll say, organization around OHS, but I think that falls under the Department of Digital Government and Service NL now (inaudible) now.

MR. LANE: Okay, well, I just thought you’d know, where this is Fisheries. All right, I’ll save that.

This is something that comes up sometimes: I’m just wondering about the plant licences. I apologize if these questions – I mean, the fishery is not my forte, obviously. Neither is it really – it is related to my district. It’s related to every district because we all benefit for it.

MR. LOVELESS: Absolutely, that’s right.

MR. LANE: But as far as having fish plants and so on, Mount Pearl – let’s face it, it is what it is, right?

MR. LOVELESS: What, you’re not looking for a fish plant in Mount Pearl?

MR. LANE: No. We have a wharf in Power’s Pond. That’s actually in Mount Pearl North.

I’m just wondering, just trying to put it in perspective. I can remember, for example, when we talked about – I can remember I was doing an economics course at MUN school of business. I had to do a project and it was about the deregulation of Air Canada.

One of the things before it became deregulated, was that Air Canada, if you had a number of flights, there were some areas that didn’t make you money, but it was kind of like you had to look at the whole pie. Overall, you’re making money; therefore, there are going to be a few areas that you’re not going to make any money off of. You’re making money because you get to operate here and from the global perspective, overall, you’re making a profit.

I’m just taking that, sort of transferring that over to the idea of the fishery to some degree. There are a limited number of players – there are big players who have multiple plants and they got their hands into everything to some degree. Then you hear scenarios where they’re saying: Oh, well, the market demands we have to send it away, just gut it. We’ve seen plants where there were certain species – I forget which ones they were, maybe down your way – where they were just taking the fish and sending it right off, raw product. Minister King was the minister of Fisheries at the time –

MR. LOVELESS: Minimum processing requirements.

MR. LANE: There was minimum processing and all that. I’m saying to myself, do we look at it from the perspective – because anybody can kind of cherry-pick and say in order for this plant to be profitable, you need to give us this; in order for this one to be profitable, you need to do this.

Does anyone look at it and say: Listen b’ys, from an overall point of view you have a dozen plants and you’re making a pile of money. So if you’re not making as much profit as you’d like here, you’re still getting the benefit over here and over here and over here. It doesn’t get looked at that way, does it? It gets done on a plant-by-plant basis.

You can cherry-pick every situation to make it look like we have to give concessions in order for this particular operation versus this operation. Do you know what I’m saying, about shutting plants and moving plants?

MR. LOVELESS: I think I do, Paul.

I guess if you want to look under what you're saying – because it's very generic, your idea. It comes back to if I'm a processor and he's a harvester, he has a quota and I'm buying from him. But a processor is not going to process, not keep the plant doors open if it's not profitable. It is a business venture; they have to make money too, but with the goal of employing as many people as possible in those communities. I don't know if I'm answering your question.

MR. LANE: I understand they're a business but I'm looking at it from the perspective that they're making a business off a resource that belongs to – it's our fish.

MR. LOVELESS: Right.

MR. LANE: The people of Newfoundland – well, technically it's Ottawa, but it's our fish as far as I'm concerned. Anyway, that's another argument.

It's our resource and someone is making a profit off that resource. They're getting all the fish in order to make profits for themselves, right? Hopefully they employ people along the way.

MR. LOVELESS: Right.

MR. LANE: Given the fact they're using our resource and everything, it just would seem to me sometimes – just from the outside looking in and being no expert in this, it almost seems like you can make a case anywhere to say you have to give us concessions here on processing and everything to make this one, give us concessions over here, give us concessions over here and over here, but then you might be making a pile of money over here, still off our resource.

I'm just wondering the thought process around looking at more as a whole to say, overall, your company is making a ton of money off of a resource that belongs to the people of Newfoundland and Labrador. Yeah, your profit margins might not be as high here as you would like, but sort of the fact that we need to employ people. You're using our resources to do it, so your profit margin isn't quite so high here, you're still making a pile over here and you need to keep it all going to benefit the province as a whole.

MR. LOVELESS: Again, from a general point of view, companies are going to do what they need to do to keep their doors open, but for us, as politicians, I think we're all on the same level in terms of maximizing the employment. That's where it lies.

Again, I have to say the harvesters get the resource, the allocation, and they provide it to the processors in terms of processing in plants. I don't know. I'm going to have to park it because I don't know if I'm answering your question, I don't know how I can answer your question.

The bottom line is – and I don't know if you're moving towards that – one company having too much over another. I don't know if that's where you're going. The bottom line for me is all about the employment in those communities.

MR. LANE: Minister, where I was going is that if I had multiple plants and access to multiple species and everything else – all the people's resources – we want to try to maximize as much employment as possible by having as many facilities open as possible. You can always make the argument we need to shut this here because it's not making enough; we need concessions over here. But then if you're making a boodle over here, then maybe that needs to be part of the negotiation of the overall picture of what you're making so that we can keep as many people employed as possible. That's kind of where I was going.

CHAIR: Thank you, Mr. Lane.

If the minister would like to make a further comment.

MR. LOVELESS: No, I think I'll leave it there. The companies, I firmly believe, come into these communities to do their best in terms of employing people. If not, it's going to be a problem for all of us. I'll leave it at that.

CHAIR: Thank you, Minister.

I'll ask the Clerk to call the headings.

CLERK: 2.1.01 to 2.3.01 inclusive.

CHAIR: Shall 2.1.01 to 2.3.01 inclusive carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 2.1.01 through 2.3.01 carried.

CLERK: 3.1.01 to 3.3.02.

CHAIR: Shall 3.1.01 to 3.3.02 carry?

I ask the MHA for Exploits, Mr. Forsey, to begin his questions.

MR. FORSEY: First of all, Minister, thank you for your staff to be here. This is my first year in this position, actually. They've been good to me over the past year and I'd like to thank them for their responses. Lots of times, probably, I don't like the answers sometimes; nevertheless, it's great to be talking so I can get some answers. I'd just like to thank them for that. I'll just start off with line by line first and then I have some general questions.

3.1.01, Salaries: Can you explain the steady decrease there in Salaries?

MR. LOVELESS: For the actuals, the \$2.5 million, that was a variance due to vacancies in the division during the year. For the estimated 2020-21, that's variance due to salary adjustments and attrition management there.

MR. FORSEY: Okay.

Then under Transportation and Communications, there's also a steady decrease in this category. Can you explain that?

MR. LOVELESS: That was due to less than anticipated flying time for helicopter services and the efficiencies for helicopter time realized within the Forestry Division.

MR. FORSEY: Okay.

Supplies: What is included in that figure?

MR. LOVELESS: I'll just comment on the variance and I'll ask someone else to talk about what's included in the Supplies. I believe we're going to bring another ADM into the fold. That was due to less than anticipated supply expenditures, but I'll ask Mr. Balsom.

CHAIR: Mr. Balsom.

MR. BALSOM: Thank you.

The Administration and Program Planning is our headquarter-based programs. We have our Forest Inventory Program; we also have our strategic planning that does our Wood Supply. These are supplies related to those programs, including fuel for ATVs and various equipment related to those programs.

MR. FORSEY: Okay.

Purchased Services: What's included there?

MR. BALSOM: Our Purchased Services are mainly related to our Xerox and various – I don't know if we have a list of those?

MS. KING: Purchased Services here would be advertising and promotion, some of our aerial photography, environmental logging, evaluation of some of our plantations, some of our graphic services, production of some educational materials and legal documents. That kind of activity.

MR. FORSEY: Okay.

The same for Property, Furnishings and Equipment. What's included there as well? There's a big difference there.

MR. LOVELESS: I can answer that. That was due to the purchase of computer towers, hard drives and computer equipment that were required during the year.

MR. FORSEY: Okay.

Grants and Subsidies: What is included? What explains the variance there in Grants and Subsidies?

MR. LOVELESS: The variance was due to higher than anticipated grant expenditures as a

result of support for industry diversification in response to downturn in markets.

I don't know, Steve, if you want to add in terms of what is within the Grants and Subsidies?

MR. BALSOM: Yes, included in our Grants and Subsidies we have forest management agreements with the Labrador Innu Nation and the NunatuKavut Community Council. We also have a grant for the Lumber Producers' Association. We are also a member of FPInnovations, the national research body for forestry; our Canadian Council of Forest Ministers membership; as well as various individual grants related to the Atlantic Teachers' Tour, Envirothon and those type of grants.

MR. FORSEY: Okay, thank you.

3.1.02, Salaries: Can you explain the variance in the Salaries?

MR. LOVELESS: The variance was due to vacancies within the division during the year, and there's a salary adjustment required for '20-'21, keeping in mind that there are 27 pay periods.

MR. FORSEY: Okay.

In Supplies: Can you explain why so much more was spent in the revised?

MR. LOVELESS: Sorry, can you repeat that?

MR. FORSEY: Why was so much more spent in the revised in Supplies?

MR. LOVELESS: Oh, in Supplies.

MR. FORSEY: Yes.

MR. LOVELESS: That was the purchase of additional safety supplies during the year, mainly flotation suits.

MR. FORSEY: Okay.

Purchased Services: Can you explain why so much more was spent in the revised as well?

MR. LOVELESS: There were higher than anticipated expenditures during the year and there were items such as moose disposal fees and maintenance of ATV and snowmobiles.

MR. FORSEY: Okay.

3.1.03, I'll go through the forestry part and then I'll ask some questions after.

Anyway, 3.1.03, under Transportation and Communications: Can you explain why so much less was spent last year?

MR. LOVELESS: I have to ask you again. Three point what?

MR. FORSEY: 3.1.03.

MR. LOVELESS: 3.1.03?

MR. FORSEY: Yes. Transportation and Communications: Why so much was spent less last year?

MR. LOVELESS: Less.

MR. FORSEY: Yes.

MR. LOVELESS: Due to less flying time for helicopters and those efficiencies were realized across the department, throughout the department.

MR. FORSEY: Okay.

Supplies: What's included in those Supplies?

MR. LOVELESS: Again, there was less there than anticipated in terms of supply requirements.

But for a breakdown of that, I'll have to move that over to Mr. Balsom.

MR. BALSOM: This is related to our silviculture program, our tree planting and our site preparation work. These supplies are main ribbons to just general field supplies and notebooks.

MR. FORSEY: Okay.

Purchased Services: What is included? Can you explain the increase in the actuals from last year?

MR. LOVELESS: The increase was due to silviculture contracts coming in slightly higher than anticipated.

MR. FORSEY: Okay.

We'll go to 3.2.01, Salaries: Can you explain the variance in Salaries?

MR. LOVELESS: The actuals, it's lower than anticipated salary that was associated with the Insect Control Program delivery during the year. The Estimates for 2020-21, that's a salary adjustment that's required.

MR. FORSEY: Okay.

In Supplies, there's a big variance there in Supplies, can you explain?

MR. LOVELESS: That was due to less than anticipated supply requirements for program delivery, such as material, tools and et cetera.

MR. FORSEY: Is this related to the spruce budworm spraying?

MR. LOVELESS: I will defer that to Mr. Balsom.

MR. BALSOM: Last year, for 2019-2020, we did not have a control program. We only were doing our monitoring work. This year, as you can see under Supplies, we budgeted for a spray program and a control program.

MR. FORSEY: Okay. All right.

CHAIR: Thank you, Mr. Forsey, your first allocation of time has elapsed.

I'll move on to Mr. Dinn.

MR. J. DINN: Thank you, Chair.

If I may go to 3.1.01. In the mandate letter the minister was tasked with continuing to implement the Forestry Sector Work Plan to assist in diversifying the forest industry and

creating new job opportunities. Does funding for this plan fall under here or elsewhere?

MR. LOVELESS: I have to get you to repeat that, sorry.

MR. J. DINN: No problem. Glad to do that because –

MR. LOVELESS: 3.1.01, right?

MR. J. DINN: Yeah. In your mandate letter, Minister, you were tasked with continuing to implement the Forestry Sector Work Plan to assist and diversify the forest industry and creating new job opportunities. Does funding for this plan fall under here or is it elsewhere? I guess elsewhere, probably, is it?

MR. LOVELESS: Well, it's throughout this section. I'm given good direction from the deputy there.

MR. J. DINN: It's good to have a good deputy to –

MR. LOVELESS: It's important.

MR. J. DINN: – direct you. So it's throughout, okay.

Also, in the minister's recent mandate letter, you were tasked with assisting in the diversification of the forest industry, creating new business activities and increasing job opportunities. How can this be achieved when there appears to be cuts in the salaries in program administration and planning, totalling approximately \$400,000? I think you may have answered it. Why was there such a decrease and how can you carry on with that plan if we see such a decrease?

MS. KING: The decrease from budget to budget represents some of the attrition management savings for this year. The other piece to address the question again, support for the Forestry Sector Work Plan comes throughout all these forestry activities. It's not just from the administration and program planning. So within our total forestry resources we can absolutely meet the minister's mandate letter.

MR. J. DINN: Okay, thank you.

What were the positions that were eliminated, if I may, through the attrition?

MS. KING: Yeah, there are two conservation officers here – this is where those two are? Yeah. There are two conservation officers in here and I think there's – no, the forester is not in here, right? No. Yeah, that's what's in here.

MR. J. DINN: If I may, then, the conservation officers, are they the same conservation officers I was asking questions about at the beginning?

MS. KING: No.

MR. J. DINN: So they're not part of the –?

MS. KING: Those will be in regional operations under 3.1.02.

MR. J. DINN: Okay, they aren't a part of the amalgamation or the –?

MS. KING: No, they're not.

MR. J. DINN: Okay, thank you very much. I appreciate that.

I think we asked: Why is there an increase in actuals for the property and furnishings? I think also with regard to Grants and Subsidies, I know my colleague asked – I'm just wondering what specifically were these Grants and Subsidies used for. I know you mentioned but there were no specifics around that.

MR. LOVELESS: Jim, I'm not sure if you asked a question or just made a statement on property and –

MR. J. DINN: No, I think that's pretty straightforward. I think that was already asked and answered, but I'm just curious. You did answer the question on Grants and Subsidies but I was looking for more specifics there.

MR. LOVELESS: Right, on what actually is in the body of the Grants and Subsidies.

MR. J. DINN: Exactly. If I'm reading it correctly, it jumped from \$408,000 up to \$500,000 and then it's back down to \$208,000 roughly. I'm just wondering what would they have been used for, those Grants and Subsidies?

MR. LOVELESS: Are you asking for a breakdown of the –

MR. J. DINN: The breakdown, yeah.

MR. LOVELESS: – new amount?

MR. J. DINN: More or less what are we looking at specifically? I guess that might help me understand as to why there's such a variation there.

MR. LOVELESS: The actuals were due to higher than anticipated grant expenditures as a result of support for industry diversification response to downturn in markets. To give an example, I think Mr. Balsom made reference to some forest management agreements and a grant for the Newfoundland and Labrador Lumber Producers' Association. There's also Atlantic Teachers' Tour and Junior Forest Wardens.

MR. J. DINN: Okay and it would be to industries and so on and so forth as well, companies and businesses.

MR. LOVELESS: Yes. If you need a list of that, we can certainly provide it.

MR. J. DINN: That would be great. I appreciate that.

Then under 3.1.02, I think also Mr. Forsey asked what accounts for the significant cost overruns under Supplies and Purchased Services. You talked about floatation suits and also moose disposal, ATVs and snowmobiles. Did I hear that correctly?

MR. LOVELESS: You did.

MR. J. DINN: I'm just wondering, a breakdown of moose disposal, the ATVs and snowmobiles. ATVs and snowmobiles: Would that be part of the regularly scheduled replacement costs as well?

MR. LOVELESS: Yes, you were right on items such as moose disposal fees and maintenance of ATVs and snowmobiles.

MR. J. DINN: How much of that then would have been used for moose disposal?

MR. BALSOM: We dispose of roughly 300 moose a year and at a cost, roughly, of \$30,000.

MR. J. DINN: I thought I heard some discussion about reinstating the use of roadkill and that for charity. I know at one time certain organizations used the moose roadkill for their moose stew suppers and things like that. I thought I heard that there was some attempt or interest in bringing that back.

MR. LOVELESS: Well, there's conversation around that, but it all goes down to the quality of the meat as well and if it's fit for it.

Steve, I don't know if you want to add to that.

MR. BALSOM: We do have a program for farm moose that are dispatched and are cleaned properly for persons with disabilities, also hunters with disabilities and our hunters to apply for. We do not use roadkill for that program. We are looking at options for better disposal and natural disposal for those costs, but right now those would not be used for that program.

MR. J. DINN: Okay.

Those 300 moose, would they be moose-vehicle accidents or would they be for a variety of ...?

MR. BALSOM: Yes, the majority would be moose-vehicle collisions. There would be some dispatched due to broken legs or injured animals that could not be rehabilitated, as an example.

MR. J. DINN: Okay but the injured animals would be ones that were probably in a moose-vehicle accident.

MR. BALSOM: Could be in the winter. Sometimes in the spring we do see moose with broken legs due the hard crust of the snow in the spring, those type of ...

MR. J. DINN: Okay.

One last quick question there before my time runs out on this section. With regard to the Purchased Services, it has to do with silviculture contracts. To whom would they be? Do we have several companies, one company? Who would be in receipt of those contracts?

MR. BALSOM: I think you're referring now to 3.1.03, the Silviculture Development.

MR. J. DINN: Yes.

MR. BALSOM: We do public tenders for the planting and site preparation contracts. We do have multiple contractors here on the Island that perform tree planting and the site preparation work.

MR. J. DINN: Okay.

I have a quick question then in 3.1.03, in particular with Transportation and Communications. I think the minister noted that there was a drop in transportation due to flying times for helicopters, correct?

MR. LOVELESS: Correct.

MR. J. DINN: I asked this last year and I have to ask it again: What companies would have these contracts? Secondly, has there been any further consideration to the use of drones? I'm not talking about your out-of-the-box drones, but a good quality drone to replace the use of helicopters.

MR. LOVELESS: Well, I'd love to answer that, but I think Mr. Balsom would love to answer it, so I'm going to leave it with him.

MR. BALSOM: There is a lot of interest in drones and drone technology. We've been looking at it in a few areas, mostly for very localized work because the regulations right now related to beyond the line of sight are very restrictive.

We are looking at a program for some aerial seeding to use a drone for that purpose. We also have used our own, like you said, smaller drone to assess some of our site preparation areas and to assess our cutovers. That can be done from a road.

Most of the limitations with the use of helicopter for us is it is the movement of staff members and equipment, which is limited, again, for a drone. In this case, the less this helicopter time would've been used for a helicopter planting, which did not get completed under this budget.

CHAIR: Thank you, Mr. Dinn.

Before I recognize Mr. Forsey – recognizing that once his time starts we would be over our 9 o'clock allocation – it's my recommendation as Chair that we continue our meeting until the Estimates are complete this evening, given that the minister has had staff that have had to travel from the West Coast of this province. So just be cognizant of that and everybody's time here today.

We'll continue with the line-by-line Estimates until they are complete.

Mr. Forsey.

MR. FORSEY: Thank you.

Okay, we'll continue the line by line on 3.2.02, Fire Suppression, Salaries. Can you explain the variance? Are there more hires this year?

MR. LOVELESS: That's 3.3.02, correct?

MR. FORSEY: 3.2.02.

MR. LOVELESS: Oh. I had 3.3.02.

I think I'm in the right – 3.3.02, correct?

MR. FORSEY: 3.2.02.

MR. LOVELESS: I'll get there.

MR. FORSEY: Yes, you will.

MR. LOVELESS: All right, 3.2.02, there we go.

MR. FORSEY: Under Salaries, can you explain the variance? Are there more hires this year?

MR. LOVELESS: The variance for the actuals for '19-'20 was due to less than anticipated salary expenditures. That's due to a lower than anticipated fire season, so fewer hectares that were burnt.

MR. FORSEY: Okay.

Transportation and Communications: Can you explain the decrease in the amount spent last year compared to what was budgeted?

MR. LOVELESS: And we're back to the helicopter topic. That's due to less than anticipated helicopter travel, as a result of a lower fire season, which is a good point here tonight: lower fire season.

MR. FORSEY: Okay.

Property, Furnishings and Equipment: Can you explain the decrease in the actuals?

MR. LOVELESS: Just less than anticipated requirements for equipment during the year.

MR. FORSEY: What type of equipment?

MR. LOVELESS: Mr. Balsom, do you want to comment on that, please?

MR. BALSOM: The equipment included in this category would include our office equipment. It would also include our firefighting equipment, such as pumps and hoses; our radio communications equipment; and our weather stations.

MR. FORSEY: Okay.

Grants and Subsidies: What is included?

MR. LOVELESS: Grants and Subsidies, just to give you a couple of examples, the Canadian Interagency Forest Fire Centre and Partners in Protection, FireSmart Canada and Northeastern Forest Fire Protection Commission, just to give you three examples.

MR. FORSEY: Okay.

Revenue: What is included there?

MR. LOVELESS: The revenue is from various companies and other provinces for compensation for Government of Newfoundland and Labrador forest fire protection services that were provided during the year.

MR. FORSEY: Okay.

That's the line by line; I have a couple of general questions in the Forestry Department there.

Timberlands, AEG project, what is the current status on that project?

MR. LOVELESS: Steve, do you want to ...?

MR. BALSOM: We continue to be in contact with Timberlands International Newfoundland, the subsidiary of AEG, regarding their project for the Great Northern Peninsula. What we did, we provided a five-year allocation to the company towards their biomass project. What we have been relaying to the company is that under our cutting allocation policy, they will have a review at the midway point, which, depending on their activity, will result in an analysis, I guess, if the permit will continue or if the permit will be altered and that midway point is May of 2021.

The company is aware of this and we have been making them aware of, I guess, this pending point in the cutting permit policy where they will have a review.

MR. FORSEY: They had 30 months to cut 40 per cent, we're almost 24 months in now. At that point, after the 30 months – hopefully before then – will those licences be revoked? Permits, sorry.

MR. BALSOM: Under the cutting permit policy, if they fail to cut less than 25 per cent of their permit they will lose their allocation.

MR. FORSEY: Okay, thank you.

Central Newfoundland harvest, Central Newfoundland has been known as the fibre basket in Newfoundland and Labrador. Has the department been currently revitalizing the forestry industry in Central, working with any industry?

MR. LOVELESS: I'm going to ask Steve to interject, but in terms of – I think the first thing came to my mind was the planting of trees. We've planted over seven million seedling this year and the conversation I had around the silviculture piece is important, because if we're cutting them down, we need to plant for the future. That's just, I guess, my kind of answer to that because it's important. I'll ask Steve if he wishes to further –

MR. BALSOM: We work very closely with our industry partners that operate in the Central Newfoundland districts and I think you're referring to districts 10, 11 and 12, primarily. We have two of our three largest sawmill operators that provide most of their allocations from those districts and we also have an exchange agreement with Corner Brook Pulp and Paper in one of those areas to maximize the utilization.

As you're probably aware, the main issue we deal with is small-diameter wood, which, at the time, Abitibi could utilize in the district. We're trying to find the bright-wood profile for our sawmill industry, which relies on larger saw logs. We've been working with them on a wood supply and are currently working on a new wood supply for 2021 that will support their continued sawing and try to find opportunities within there for growth of the industry.

I'm happy to report that 2019 was another year that we did see an increase in the total lumber production in Newfoundland and Labrador and we see the companies in those areas continue to grow, expand and invest in their diversification. We do recognize that's a very important district, so we're working very closely to make sure that we can support them in their continued success.

MR. FORSEY: We know we have a couple of large sawmills and, of course, they're taking the product from the Central Newfoundland area and shipping it out, being cut, being produced.

Are there any manufacturing processes, any products to be manufactured or anything in regard to industry directly in the Central Newfoundland area? I know now we're looking at Corner Brook taking out pulp, we're looking at sawmills taking out the logs for lumber.

Directly to the Central Newfoundland area, are there any consultations of anything?

MR. LOVELESS: Well, I visited Minister Bennett's district, Cottle's Island, right, their plant there and that's around the biomass project. We're converting it over to six campuses in Central Newfoundland, so that's in the Central area. I'm looking forward to that project moving forward because I believe it's a part of sustaining the industry and I believe

there's potential for growth and there's excitement around that. I look to see what the results of that will be, but certainly excited about the potential of that project. That's in Central Newfoundland and I know you're interested in it.

MR. FORSEY: Sort of.

Anyway, can I get a breakdown of 10, 11 and 12 in regard to pulp, domestic cutting, logging, that sort of thing? It doesn't have to be now, but you can get me that later because –

CHAIR: Mr. Forsey, your time is expired.

MR. FORSEY: Not yet.

CHAIR: Mr. Dinn.

I know you're on a roll.

MR. J. DINN: Thank you, Chair.

I just want to go back starting with 3.1.03. I want to ask a question then with regard to Transportation and Communications. Would it be fair to say, if I were to go through the Transportation and Communications line in each of the subsequent or following sections, that a lot of that budget would be used for helicopter?

MR. LOVELESS: I'm going to have to get you – because I was trying to get back to the section you were referencing –

MR. J. DINN: No, no. Minister, I'm looking at here that I think in a least two – when you were responding to Mr. Forsey you said, and in a following section, I think, the one on Fire Suppression and Communications, that Transportation and Communications, a part of that was helicopter. So this will just cover a few sections.

I'm wondering, in all of those sections with Transportation and Communications, would helicopter use factor into those lines? I would assume that in this department it would very much depend on aerial survey anyway.

MR. LOVELESS: Yes, absolutely.

MR. J. DINN: Would it be possible to have the total amount of money spent in the whole department on helicopter time? Not just the line by line. I can probably go add it. But I'm just trying to get an overall view of the total amount of helicopter time used.

MR. LOVELESS: Yes, I can provide that for you.

MR. J. DINN: Okay.

MR. LOVELESS: Oh, we have it now if you want it.

MR. J. DINN: Sure.

MS. KING: The amount for 2019-20 was \$1.7 million and it's just about \$1.8 million for '20-'21.

MR. J. DINN: Okay.

Here's where I'm going with this. As I understand it, I don't know if it was in the cartography and that, they used drones I think to – and I wasn't a part of that one but I found out from my colleague after that they actual do use drones in that department sometimes for aerial mapping as well. I guess it's about efficiencies as well. I understand the line-of-sight issue and also some of the drones you still have a limited use of battery life. I think most of them have around a 30-minute shelf life, but there are other drones out there, I'm sure.

I'm looking at it, is there any consideration to at least doing – well, let me ask you this: Does the department have any drones at this point in time?

MR. BALSOM: As you mentioned before, we do have, I guess you would call, the smaller personal drone size, but we do not have a large commercial drone.

MR. J. DINN: Would it be possible, Minister, then, in terms of looking for efficiencies and like – if we're paying money for a helicopter contract, I'd rather see it invested in the personnel in many ways. Would it be possible to look into some sort of pilot project to get, not just a personal drone size, but something that is a bit more robust to see just how we could use

it? If it's feasible, just to explore that. To me, that would be – I think some of the drones are \$20,000, depending on what you're looking at. I'm just thinking it might be a worthwhile long-term investment as well. At least to explore it before we head down that road. Just as a suggestion.

MR. LOVELESS: Yeah, no. It's a suggestion that I'm interested in because when I did have the briefing with the department I did ask the question about drones because we know where drone coverage is going, we know with things advancing. But, yes, I take your idea seriously because if it does mean efficiencies then we can and the division can do their job, then why wouldn't we do it.

MR. J. DINN: Yeah, that's right.

I would assume in wildlife and that enforcement for poaching and so on and so forth, they would be ideal in that case as well. Anyway, I'm just looking at the river guardians even being able to scoot up and down the river using that. From a very practical point of view, it does allow for them to do their job more effectively. I think it's an idea worth exploring since it's so much a part of the budget on all sections here.

Mr. Forsey seems to have done a good job of asking a lot of the questions I was going to ask. So I will just make sure that I've got them – what I've covered here.

In 3.3.01, there was a big drop in Supplies, and that was for, I think – I can't remember if that one was asked or not. What was planned to be purchased with this money?

MR. LOVELESS: Those supplies, the variance was due to less than anticipated supply expenditures during the year required for Wildlife Operations. If you need further information, I guess –

MR. J. DINN: Yeah, like when you say for wildlife, I wouldn't mind knowing what exactly we're talking about there in less than expected Wildlife Operations.

CHAIR: Steve Balsom.

MR. BALSOM: The question is under Supplies, is that correct?

MR. J. DINN: Yes.

MR. BALSOM: Under this category we have several areas: we have supplies related to our research program, sampling equipment, field gear, telemetry equipment, game cameras, GPS units and laboratory supplies. We have recently opened up our new lab in Pasadena.

We have conservation services, the hunter and trapper education supplies and also supplies related to Salmonier Nature Park maintenance, everything from tires to snowmobile oil and parts in there. We have some stewardship program supplies, which include signage and educational material that supports the Eastern Habitat Joint Venture and the habitat stewardship agreements we see across the province. We have animal care supplies and rehabilitation supplies related to the program at Salmonier Nature Park and we also include the caribou and polar bear collars and monitoring equipment and sampling supplies related to those survey programs.

MR. J. DINN: Would animals that are rehabilitated be transported to the Salmonier Nature Park? Is that where that rehabilitation would take place?

MR. BALSOM: Yes, that's our facility for rehabilitation in the province.

MR. J. DINN: Thank you.

Still under 3.3.01, Wildlife Operations, Purchased Services, in the actuals they were \$135,000 over budget. Again, would account for that anomaly?

MR. LOVELESS: I can just give some information. If you need further, Mr. Balsom can answer.

That's due to unanticipated legal settlement during the year, as well as higher than anticipated expenditures associated with licensing, printing and postage.

MR. J. DINN: Okay.

Overall in that department, I think there's a decrease of almost half a million dollars, I guess – well, \$441,000. I'm just wondering: Should we be concerned with that? Is that the number of the cuts? Is that also part of the amalgamation – and I'm wondering here now with regard to Forestry and Wildlife enforcement officers – to explain that decrease overall? I'm just trying to get an idea. The Amount to be Voted seems to be – again, almost \$442,000 less than last year.

MS. KING: The difference budget to budget really relates to a couple of things. The minister may want to expand after I go through it. You'll see one of the decreases there is in Grants and Subsidies this year. A lot of times we would use Grants and Subsidies for some outside research we may have done. This year we've actually reprofiled that funding to absorb some of the cost of the spruce budworm Insect Control Program, so that's some of the decrease that you see here this year.

The other main driver here really is related to the sunset of the Moose Management Plan this year. The five-year Moose Management Plan expires this year, so that relates to the decrease that you see there. We will carry out that work in a slightly different way until the new moose management plan comes out.

I'm not sure if there's anything else.

MR. J. DINN: No, I'll stop there and turn it back to Mr. Forsey.

CHAIR: Okay, Mr. Forsey.

MR. FORSEY: Yes, Sir.

Just another couple of questions.

The minister mentioned a biomass project associated with Cottle's Island Lumber producers. What exactly is the biomass project?

MR. LOVELESS: I'll get Steve to comment on it as well. We're converting it over to a wood pellet source of heat for six campuses in Central. To give you an update on that, the committee has been formed with TI and FFA officials to lead the initiative. The RFP was closed on September 10 and that evaluation is ongoing.

I don't know if that answers – I can ask Mr. Balsom if he wants to refer to the actual project itself.

MR. BALSOM: We're looking at stimulating a program for the use of the small-diameter timber and the wood chips that formerly were being utilized by Abitibi and the newsprint industry, which we see a steep decline in. So, in support of the solid wood industry, we need to find outlets for small-diameter wood and the residues that sawmills produce.

This RFP, similar to other jurisdictions across Canada, is looking at the heating of public buildings through the burning of the biomass in biomass boilers and heat systems. In partnership with Transportation and Infrastructure we released the request for proposals to heat six public buildings: the Wooddale agriculture and forestry research centre, as well as six College of the North Atlantic campuses in the Central Newfoundland area. Or six buildings in total – sorry, that's correct. Five College of the North Atlantic buildings. As the minister said, the request for proposals has closed and we are currently evaluating the proposals.

MR. FORSEY: So they're taking the forestry product from one area just to heat six facilities?

MR. LOVELESS: (Inaudible), I don't understand –

MR. FORSEY: Like the Central Newfoundland area, they have permits in the Central Newfoundland area –

MR. LOVELESS: Right.

MR. FORSEY: – to make pellets to service six facilities.

MR. LOVELESS: Correct, yeah.

MR. FORSEY: Okay.

How much more employment is that creating in the Cottle's Island Lumber? Is there – go ahead.

MR. LOVELESS: No, just to clarify, this hasn't been awarded yet. This is an ongoing process. The RFP closed on the 10th of September, so it hasn't been awarded yet.

MR. FORSEY: Wasn't this the same basic understanding as the AEG project to have a pellet plant up there? Wasn't that the same ...?

MR. LOVELESS: Sorry, the what? The AG –

MR. FORSEY: The Timberlands project. Wasn't that the same basis, so that they could have a pellet plant up there?

MR. LOVELESS: Are you referring to the Great Northern Peninsula?

MR. FORSEY: Yeah, same one.

MR. LOVELESS: I guess it's similar, and certainly before my time, but I can ask Steve to elaborate on that.

MR. BALSOM: It's similar in that the project on the Northern Peninsula was looking for – again, we're looking for the opportunity to utilize the small-diameter timber. We recognize here with the loss of two newsprint mills on the Island and the reduction from four paper machines at Corner Brook Pulp and Paper to two that the outlet for small-diameter timber and sawmill residue is a part of the bottleneck that we need to solve to grow the solid wood industry, the lumber industry.

I think the AEG project was looking at a very large-scale project in the order of 50,000 tons of pellets for the industrial setting. This program is geared towards – it's smaller scale. We're looking at about 4,000 tons, more or less as a pilot project, as a demonstration project to show that you can utilize renewable resources in the heating of buildings and to look at the conversions from oil to renewable resources, such as those produced by our local sawmills.

MR. FORSEY: Okay. Which is a good project, there's nothing wrong with it. It's just that I don't see no point of keeping the Timberlands permits open if you're looking at giving them to Cottle's Island Lumber to do the same thing. I really don't, it just seems like one is beating down the other here.

In that retrospect, I'm getting a lot of smaller contractors, commercial cutters, in the Central area that are being denied commercial permits. Is there a reason for that?

MR. LOVELESS: If you wish, you and I can certainly have a conversation about that. I mean, any concerns that you have around that for those small operations in Central, I would be more than happy to have a conversation with you. You're more than welcome to come over and sit down and have a conversation on those particular ones that you're referencing.

MR. FORSEY: Okay, all right.

It is \$9.6 million for a plan to develop the forest sector and create jobs. The former announced this in June. How much of this has been spent to date? How many jobs have been created out of the \$9.6 million that was in the plan?

MR. LOVELESS: I don't have that one in front of me. Steve, do you want to ...?

MR. BALSOM: Yes, I can speak generally. When we looked at the \$9.6 million with regard to industry development, we had a target based on our metrics that it would create a hundred opportunities for additional work. We have been successful to date on a number of fronts.

We're working towards building an additional 20 kilometres of forest access road in support of the forest industry. The jobs there are related to contracts that have been tendered and the work that goes out with those individual road builders. As the minister alluded to, we have also tendered additional planting contracts. Some of those have been extensions to current contracts that we have and the ability to plant more trees, giving more weeks of work to our silviculture workers; others are new areas to utilize our goal of planting two million extra seedlings. These are additional jobs for the tree planters and contractors in that area.

We've also partnered with the Newfoundland Forest Industry Association to do operational-level planning for our sectors. This will create jobs for forestry technicians that will be doing timber cruising and road layout work. We're also looking at a secondary processing program to help producers look at alternative products in support of the Newfoundland forest industry. These could be secondary products such as finger-jointed lumber or cabinetry work, those type of things that will promote the use of local timber.

I think the final one within that \$9.6 million is related to our biomass project. \$3.5 million will be invested in the conversion of those oil-fired boilers to biomass. As an example, the additional fibre there, from our general terms, will create 10 jobs related to the biomass that would be needed for that program. So far we've been fairly successful in keeping people working longer and creating additional work during this economic downturn.

CHAIR: I'll move to Mr. Dinn.

MR. J. DINN: Thank you, Chair.

Cooperative Wildlife Projects, 3.3.02: There are significant increases in some areas in this. If I remember correctly, I've been looking at my notes from last year; a lot of this money was related to – the Salaries – the work with the federal government related to the Mealy Mountain caribou herd. It was basically a co-operation agreement.

I'm looking at that. That's what this section is for, correct?

MR. LOVELESS: Yes.

MR. J. DINN: Okay.

I noticed even in last year's budget, the 2018-2019 budget, it was budgeted for \$70,200 and the actual was \$61,200. Then the budget for 2019-20 was up to \$61,000, yet the amount – I guess the actual – that was spent was only about \$6,000 more than what the actual was last year and we still have a budget this year of \$686,400. I'm trying to get a sense here of what's going on. It seems like several years in a row we have a large budget; the actuals are much lower, but we're still budgeting a lot more.

We're also taking in federal revenue of almost – last year it was almost \$1.5 million and this year it's almost \$1.6 million. I'm just trying to get an idea of what's going on here with this. It seems to be a little bit all over the place. Where are we going with it? Especially if it's actually a federal government plan that we're working with them.

MR. BALSOM: The Cooperative Wildlife Projects account centre is where we do receive our federal revenue from a number of sources.

We have a federal program with National Defence in Labrador for doing caribou surveys. We also have federal revenue for Newfoundland and Labrador to provide the federal firearms training course.

We have the Eastern Habitat Joint Venture initiative where funds are provided to develop habitat stewardship plans with municipalities. The biggest one that we do see – and it's related to the larger numbers – is the recent signed contribution agreement for the boreal caribou initiative.

The discrepancy that you do see is when working out the details on these federal agreements it was mid-fiscal when we did sign our agreement. After it was signed we also had to negotiate, ourselves, bilateral agreements with our Indigenous partners in Labrador. We were successful in working through two and still working on the third.

We found ourselves unable to spend the salary dollars which were associated with three positions that were to be hired in Labrador last fiscal and nearly \$400,000 under our Indigenous partner agreements. This year we're on track to get those positions in Labrador and we're on track to finalize our agreements with our partners there.

MR. J. DINN: Then next year we should see basically these funds being used, the budget amount being used, maybe not as much variance in the amounts and a greater portion of the federal revenue being used for this purpose. Would that be correct?

MR. BALSOM: Yes, we are on track. As you can see under last year's budget, we did put a push, as you can see, on Purchased Services, gearing up for our work in Labrador. This would include helicopter usage and fuel cache, getting ready for our surveys. We also purchased our collars and were able to deploy 50 caribou collars. We are setting ourselves up for a more favourable survey program under that contribution agreement this year.

MR. J. DINN: Okay.

If I may just quickly go back to 3.3.01, I'm just wondering, last year part of that was for actually

– I think there was \$182,000 budgeted or whatever for the catch-and-release. Has that been completed? When can we expect that report to be released?

MR. BALSOM: We continued again this summer with that program. The previous summer left us with – we still had some radio-tracking tags available. Because of the fluctuations in the salmon returns that we've seen the last few years 2019 was a bit of a down year, but 2020 certainly we've seen great returns. We've decided to continue with the hook-and-release program, deploy the rest of our tags and continue the monitoring work now over the course of the fall and winter. We'll be providing our report in 2021.

MR. J. DINN: Okay, thank you very much.

On to 4.1.01–

CHAIR: Sorry.

MR. J. DINN: Sorry, I've jumped ahead.

CHAIR: We have to vote on these sections before we can go to 4.1.

MR. J. DINN: (Inaudible) question I had at the beginning. This has to do with the amalgamation or the merging of the two departments.

One of the concerns I wanted to have addressed is, as I understand it, in the enforcement, a lot of the employees there are probably younger; and in Forestry, they tend to be a little bit older. I guess, in one division, they're probably a little bit concerned with being bumped out of a job or, basically, if there's any attrition, that they would be the low person on the totem pole.

How are we going to address those issues? Also, the younger ones are probably the ones dealing with the enforcement aspect of it.

MR. LOVELESS: The process is not complete yet, but your point is well taken.

It's a good thing that we have youth in those jobs. I guess from an HR perspective, the department is working with individuals to do the best we can for them, if there are challenges

around retirement and what. We're doing our best to work with each individual.

MR. J. DINN: That's a concern. From what I gather it seems, certainly within – I don't know if people on either side of it want to see this merger, but there is concern about this, and certainly around the whole notion will this lead to a smaller, leaner and more layoffs. That would be a concern. If anything else, we do need people out in the field, on the rivers and so on and so forth. That would be one recommendation that I think is very important.

Not only for enforcement, but many of my encounters with river guardians, for the most part, have always been positive. It's more or less, you know that the people are there. They're the front line for your department in many ways. They're the ones that are creating goodwill and, in some cases, an education. You can have a chat with them. I think they're a very vital part of this. Just their presence sometimes is enough to know that you have your finger on the pulse and you're watching what's going on.

MR. LOVELESS: Yes.

MR. J. DINN: I think that's about it, Mr. Chair, that I have to ask on that one.

CHAIR: Mr. Forsey.

MR. FORSEY: One quick question on this one before we end it.

Can we get an update on the caribou herd numbers in the province?

AN HON. MEMBER: (Inaudible.)

MR. FORSEY: You did?

MR. LOVELESS: (Inaudible.)

MR. FORSEY: Okay.

MR. LOVELESS: I'll ask Steve to talk about that, please.

MR. BALSOM: Yes, I'll just give you a quick update. We have the Island portion divided into three areas that we survey them once every two years. Some areas we are seeing decreases, some

areas we're seeing increases so I think the best thing for me to do is to get you the actual census results for the past few years. If you don't mind, we'll add that to the list.

MR. FORSEY: Perfect and I'll take the moose as well.

MR. BALSOM: No problem.

CHAIR: Further questions, Mr. Forsey?

MR. FORSEY: I'm good on that.

CHAIR: I'll ask the Clerk to call the section.

CLERK: 3.1.01 to 3.3.02 inclusive.

CHAIR: 3.1.01 to 3.3.02 inclusive.

Shall it carry?

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 3.1.01 through 3.3.02 carried.

CLERK: 4.1.01 to 4.5.01 inclusive.

CHAIR: Shall 4.1.01 to 4.5.01 inclusive carry?

Mr. Forsey.

MR. FORSEY: I'll start on the line by line items first.

4.1.01, Land Management, Salaries: Can you explain the variance?

MR. LOVELESS: The variance was due to savings as a result of some vacancies that were within the division during the year.

MR. FORSEY: Okay.

Transportation and Communications: Can you explain the steady decrease here?

MR. LOVELESS: That was due to less than anticipated travel expenditures.

MR. FORSEY: Okay.

Supplies: What is included here?

MR. LOVELESS: Supplies, I don't have a breakdown of what's included but it's less than anticipated supply expenditures during the year. Are you looking for ...?

MR. FORSEY: Well, just explain the variance that's all.

MR. LOVELESS: It was just less than anticipated supply expenditures.

MR. FORSEY: Okay.

Professional Services, same thing, what's included in that one? Why is so much less spent last year but back there again this year?

MR. LOVELESS: It was less than anticipated, but the professional service requirements during the year such as land surveys, appraisal services, et cetera.

MR. FORSEY: Okay.

Revenue: Can you explain what is included here?

MR. LOVELESS: The Revenue is generated through Crown Lands and maps, like Mistaken Point fees.

MR. FORSEY: Okay.

4.1.02, Purchased Services: What is included? Why was nothing spent last year?

MR. LOVELESS: Variance due to no Purchased Services expenditures associated with surveys, construction activity and electrical services during the year.

I don't know if that answers your question.

MR. FORSEY: Okay, all right.

Property, Furnishings and Equipment: What is included in that?

MR. LOVELESS: That's slightly lower than anticipated due to cost associated with acquisition of farmland during the year.

MR. FORSEY: Okay.

Under Lands, we're still getting calls with regard to two to five years for approval on Crown land applications. Is there a process to rectify or speed that up a bit?

MR. LOVELESS: Well, I think everybody wishes for Crown Lands to – the processing application procedure and time frame to be less, there's no doubt about it. But I wish I had a magical answer to say to you tonight: Listen, this is what's going to happen in the next three weeks and we're going to rectify it.

But just to move to explaining the amount of time, I'm going to ask the ADM responsible to elaborate a little bit on it.

CHAIR: Mr. Deering.

MR. DEERING: I guess, this question appropriately belongs in 4.5.01, under the Crown Land subhead, which is where all of the Crown lands applications that we receive are processed. This particular subhead, 4.1.02, is our Land Consolidation Program, which is really just a program whereby we buy privately owned lands, in most cases, that were formally in agriculture production and we assign them as agricultural leases with the view of putting them back into production and protecting them.

I guess if we're prepared to jump forward to 4.5.01, Mr. Chair, would that be appropriate for me to answer that question at this point?

CHAIR: Yes.

MR. DEERING: I guess, Mr. Forsey, the timelines that you had described would have included a lot of the backlog applications that we had compiled, I suppose, prior to 2017. Yes, there were examples of applications that have taken two to five years to process. As of today's date, we can say that, for the most part, we have concluded all of those backlog files with the exception of – what I'll call – a handful of legacy files that we had, over the past decade, not been able to completely finalize. Thankfully

we managed to liquidate the backlog and we are now attempting to prescribe a 90-day service standard on any new applications that are received.

There are a number of processes that go into a Crown lands application, and I should qualify that by saying a 90-day service standard on routine applications. There are many applications that we cannot process within 90 days because there are requirements from the applicant themselves for information, surveys, septic designs and things like that that certainly can extend over a full year before we can actually conclude the application. Section 36 applications are typically quite complicated. Section 36 is a squatter's rights provision in the legislation and it typically involves extensive field investigations and corroborating evidence from affidavits and things like that in order to completely process. I guess, a routine application might be a cottage lot in a wilderness area that typically does not have any adjacent land interests that might be competing with it. Typically we are committed to having responded to the applicants within 90 business days on routine applications.

MR. FORSEY: Okay.

You referred to going back to 2017 applications, that's already two years there.

MR. DEERING: Yes.

MR. FORSEY: Right.

Anyway, with all of the departments involved in the Crown lands applications, how much timeline does each department have to submit to you fellows for an approval?

MR. DEERING: We have asked our referral agencies for a response within 21 working days. Most departments are able to do that and we've tried to be tough with some departments to say that if you haven't responded we will make a decision on your behalf, which has tended to speed it up a little bit. However, some departments, like regulatory agencies, Service NL, Transportation and Infrastructure, we typically cannot proceed without an official referral back from those departments. Sometimes they take a little bit longer than 21

days, but our expectation with our referral agencies is that they respond back to us within 21 days of having received the referral.

MR. FORSEY: Okay.

I've also gotten questions – I know you're saying 21 days; you're clearing it up after the two-year backlog. I still have applications there that have eight to 10 years on it. People are being fined because they got tired of waiting for their application to be approved from 25 feet into a road that they went ahead and did their roadwork and they probably did some of the building work, and that's say six, eight, 10 years. It's very frustrating. So, yeah, to see some quicker application approvals would be nice.

MR. LOVELESS: Just to speak to that. Listen, I know it's frustrating because I get calls from my constituents, too. Lots of times, I'll tell you what's frustrating, when you go back to the applicant and find out that the applicant hasn't supplied the necessary information. I'm not saying that's the case with you, but sometimes it's the applicant that really didn't provide what needs to be provided to the department in order to move the application forward, too, and that's frustrating. That's frustrating for the staff to try to move those applications forward as well.

Land ownership in the province and these applications are, a lot of them – and I feel that they need to be tiered in terms of the importance. There are conversations ongoing in the department, and lengthy ones, around that. The department officials do a good job. It's a lengthy one and it's frustrating for them, too. So there's frustration on both sides, but we're trying to improve it. Anybody who can give me a suggestion, a critical criticism, I'll open that door and bring it on in.

If you have individual ones that you want to speak to me about, listen, come on over and sit down and let's have a chat.

MR. FORSEY: We'll have a chat.

MR. LOVELESS: Yes, absolutely.

CHAIR: Mr. Forsey, your time is winding down here now.

MR. FORSEY: I'll leave it for that one.

CHAIR: Given the hour of the evening and that it's been a while since we've had a break, I'm going to ask the Clerk to set the timer for six minutes. We'll reconvene at 9:50 and then we'll start with questioning from Mr. Dinn, because there may be some of the minister's staff who haven't been able to get up and move around, as well as some of the others who may need to use the washroom or take some other break.

We'll just pause for six minutes.

Recess

CHAIR: I turn things over now to the MHA for St. John's Centre, Mr. Dinn, for your questions.

MR. J. DINN: Thank you, Chair.

Apologies if this one has already been asked under 4.1.01. There's a steep drop in provincial revenue, even in the actual for 2019 and certainly down in the revenue for this year. Why is this so? Is there an explanation for that? I think you may have touched on it but I don't remember it, sorry.

MR. LOVELESS: Yeah I gave a breakdown of where the revenue would come from for the Estimates. Are you asking the difference in the budget and actuals of 2019-20?

MR. J. DINN: I'm actually asking you: Why is there such a drop in that?

MR. LOVELESS: That drop was less than anticipated revenue associated with cottage lot developments during the year due to a slump in the real estate market.

MR. J. DINN: Wow, that's significant. Okay, thank you.

Overall, in this department though, there's an overall drop. The amount to be voted is about \$519,000 less than what was voted on in the 2019-20 budget. In just about all lines there is a significant drop in Purchased Services, Supplies and so on and so forth.

Is there an explanation for that? I guess I'm just looking at the overall – when I see a large drop

like that in any section, are there cutbacks? What would the explanation be for that?

MR. LOVELESS: Yeah, and it is through a total section.

Tracy, do you want to address that?

MS. KING: MHA Dinn, I think you're asking for the department globally, is that ...?

MR. J. DINN: I'm just looking at that Land Management section there, globally, and that the Amount to be Voted is significantly less. I'm just trying to get an idea. Overall, that's a bit of a startling trend.

MS. KING: There's no significant change in the core programs of the department. There are some things like attrition management. Certainly, this revenue impact has an impact on the overall budget.

I'm going to let the controller kind of talk us through some of the more detailed specifics.

MR. J. DINN: Thank you.

MR. IVIMEY: Yeah so if you're talking about the Land Management budget overall as a total and what the amount is to be budgeted, the main difference that you're seeing there is really the difference in the revenue. You're seeing a revenue line last year of almost \$14.2 million, which then goes down to \$8.6 million for '20-'21. Really, you're not seeing a decrease in budgeted expenditures; you're just seeing a decrease in budgeted revenue.

MR. J. DINN: Okay.

The budget revenue would also then tie to the – I noticed there's a \$406,000 decrease in Purchased Services. They would all be tied together, correct?

MR. IVIMEY: That is correct. The total Amount to be Voted there, you'll see last year was \$3.6 million and then this year is roughly \$3.1 million. That's the \$600,000 difference that you're seeing there. That's attributable to that Purchased Services line item.

MR. J. DINN: Okay.

Yet the Salaries are – probably one of the ones that have taken leave. So there hasn't been any layoff or attrition there at all, or much, in terms of salaries or positions?

MR. IVIMEY: No, there have been no layoffs.

MR. J. DINN: Salaries would encompass all of those people in the field and in administration as well, would that be correct?

MR. IVIMEY: Yes.

MR. J. DINN: Okay. Thank you.

I'll skip 4.1.02 and on to 4.2.01. Just some general questions here.

Minister, in your mandate letter it highlighted as a priority the need for a novel means of helping local farmers to overcome barriers that constrain vegetable production, extend their market season and expand operations. One would think that more funds would be allocated here but, in fact, there's no noticeable increase in the total budgeted investment. Is there an explanation for that?

MR. LOVELESS: We certainly have focused on the help for the agriculture sector, whether it be cold storage availability or opening up land for other developments. Then you can touch on the food self-sufficiency issue in this category as well.

I'll ask the ADM to give you some examples of that investment that we're doing for farmers.

MR. DEERING: We have been able to repurpose some things within our current budget to modernize our services and things that we offer to farmers. As well, as the minister said, there are a number of items which don't show up in our budget lines. They would have shown up under the COVID expenditures through Finance that have been game changers for us this year, like the cold storage investment, the investment in red meat slaughter facilities and beef enhancement, investment in road construction, as well as land development, which will significantly get us over our target to achieve double our food self-sufficiency.

MR. J. DINN: If I may follow up: Would the funding here also be used for things like orchard start-ups? I know out on Roaches Line there's a person preparing the grounds for an orchard. I know a friend of mine has started one down in – it will come to me in a minute now – the Bonavista Placentia.

I'm just wondering: Would that be part of the production incentives that you'd have here in this section?

MR. DEERING: We do have orchards, as it turns out, that fall under this particular subhead but they're for research purposes only. In fact, under 4.3.03 and 4.3.04 we have invested significantly into fruit production in orchards through those programs.

MR. J. DINN: Okay and I'll ask a question on that when I get to that then.

I think you've talked about the types of projects, but what are the sources of provincial revenue here? Why are there fluctuations in the budget from year to year between the budget and the actuals for 2019-2020?

MR. LOVELESS: That's for the provincial revenue piece for 4.2.01?

MR. J. DINN: Well, the federal, too. If you look at the federal budget for 2019-20 it was \$340,000, the actual is \$76,000 but now the budget for this year, federally, is \$230,000. The provincial revenue, there's a slight variation of some \$7,000 in the actual.

MR. LOVELESS: The variance for the federal piece is due to less than anticipated federal revenue due to lower than anticipated expenditures associated with federal-provincial clean technology project.

To touch on the, I guess, federal revenue piece and that's for federal-provincial co-operative projects, the clean technology as I referenced before. The provincial revenue piece would be from the sale of seed potatoes and vegetable transplants.

MR. J. DINN: Okay, thank you.

This one may have been asked already: Purchased Services was budgeted for in 2019-20 and this year is \$70,000 yet the actuals was, basically, certainly well over double. Any explanation for that?

MR. LOVELESS: That was due to, I guess, the uncertainty of not knowing during the year around vehicle repairs and maintenance during the year like to the backhoes, the tractors, the delivery trucks, et cetera. It's due to maintenance and repairs.

MR. J. DINN: So, Minister, would you anticipate, based on that experience, do you think you would maybe budget a little bit more or basically would that maintenance cover off all the major problems and maybe resolved a lot of the problems ahead of time? You're not anticipating that any further?

MR. LOVELESS: Well nobody knows for sure.

MR. J. DINN: Okay.

MR. LOVELESS: But, I guess, we're comfortable in terms of budgeting that amount. Last year, being a – hopefully that backhoe that was fixed last year, won't break down this year.

MR. J. DINN: Sounds good to me.

CHAIR: Thank you, Mr. Dinn and Minister.

MR. J. DINN: Thank you.

CHAIR: Mr. Forsey.

MR. FORSEY: Before we go into Agriculture, there was one more question under Wildlife that I really didn't get to, concerning the outfitting lodges. This year, of course, was a write off for those lodges because of COVID. Would the minister consider increasing licenses next year to increase that business?

MR. LOVELESS: I can't give you a yes or no answer but it's something that we're discussing at this point.

MR. FORSEY: Okay.

Under Agriculture, budget documents laid out the level of employment and production for the fishing and forestry sector. Can we have the statistics for the agriculture sector in this province?

MR. DEERING: If I understand your question correctly, the total value on employment for agriculture?

MR. FORSEY: Yes, the total one for agriculture.

MR. DEERING: The total value of this sector is about \$500 million, and the total employment is 6,500, direct and indirect.

MR. FORSEY: Okay.

The budget announcement was \$12 million for agriculture programs. Is this the same money the former minister announced in June with the \$13 million in funding to create jobs in the agriculture sector and assist farmers and producers?

MR. LOVELESS: We don't have the answer to that question right now but we will certainly get you the answer to it.

MR. FORSEY: How come?

MR. LOVELESS: It's late.

MR. FORSEY: Okay, no, that's fine, Minister. You can get back to me with the answer for that.

MR. LOVELESS: We certainly will.

MR. FORSEY: Okay, thank you.

We'll move to 4.2.02, Marketing Board.

MR. LOVELESS: Yes.

MR. FORSEY: What is included? Can you explain why only \$7,610 was spent last year but \$37,500 is budgeted for this year?

MR. LOVELESS: That's due to lower than anticipated per diem expenditures for Farm Industry Review Board members during the year, associated with less appeals and complaints filed under the farm practices act.

MR. FORSEY: Okay.

Your government said it plans to double food self-sufficiency by 2022. What percentage of that is agriculture and what percentage is aquaculture?

MR. LOVELESS: Keith, do you want to elaborate on that?

MR. DEERING: Specifically, the commitment that was made was to double self-sufficiency in non-supply managed agricultural commodities. We can't double our food self-sufficiency in dairy, chicken and eggs because we're pretty much at 100 per cent capacity, so the footprint that we're looking to double is in vegetable and fruit production, as well as in beef and sheep and other livestock production in the non-supply managed commodities.

MR. FORSEY: Okay.

That would answer: What is your plan to address food security issues in the province?

Do you think we will be impacted by Marine Atlantic's decision this week to end priority boarding for food?

MR. LOVELESS: In terms of the weather-related this week, you mean? Is that -?

MR. FORSEY: No, in terms of Marine Atlantic to end boarding for food, the priority for food on the Marine Atlantic.

MR. DEERING: My interpretation of the news story that I heard was that they were going to continue to ensure that food was a priority. I don't know if I misunderstood something but -

The pre-COVID condition in terms of food shipments; food had a priority there as well, particularly perishable goods.

MR. FORSEY: Okay.

MR. DEERING: That was a priority on the Marine Atlantic cargo crossings.

MR. FORSEY: Okay.

4.3.02, Salaries: Can you explain the variance there in the Salaries?

MR. LOVELESS: Again, that's due to vacancies within that division during the year. The Estimates for 2020-21 was – we have salary adjustments that are required.

MR. FORSEY: Okay.

Grants and Subsidies: What is covered here in the Grants and Subsidies?

MR. LOVELESS: The actual variance there is due to lower than anticipated grants due to lower costs for government premiums in 2019 crop year.

MR. FORSEY: Okay.

Federal revenue: What's included in the federal revenue?

MR. LOVELESS: It's due to revenue from the federal government due to lower administration costs, i.e. staff vacancies and lower cost for government share of premiums.

MR. FORSEY: 4.3.03, Grants and Subsidies: What's covered in the Grants and Subsidies?

MR. LOVELESS: I'll ask Keith to comment on that, please.

MR. DEERING: This particular subhead is our Provincial Agrifoods Assistance Program. The Grants and Subsidies that we provide are all of the projects that farmers submit under the provincial program for funding to our program. This year we would have had 94 projects in 2019-20.

Our Community Garden Support Program was funded under this particular subhead as well. We had 101 community gardens that we funded in '19-'20 and a 120 in this current fiscal year, '20-'21.

MR. FORSEY: Okay. Thank you.

4.3.04, Salaries: Can you explain the variance here?

MR. LOVELESS: 4.3.04?

MR. FORSEY: Yeah.

MR. LOVELESS: That's due to lower than anticipated salary requirements during the year, primarily due to less overtime.

MR. FORSEY: Okay.

Purchased Services: There's a steady increase here. What's included in that?

MR. LOVELESS: It's due to higher than anticipated Purchased Services expenditures required for such things as food safety and Environmental Farm Planning projects during the year, primarily vehicle rentals.

MR. FORSEY: Okay.

Can you explain what is included in the Grants and Subsidies?

MR. LOVELESS: The variance is due to higher than anticipated business risk management requirements under the CAP multilateral framework agreement during the year. Both business risk management programs, the AgriInvest and AgriStability, are demand-driven and they fluctuate based on annual programs participation and change in agricultural markets and farm income.

MR. FORSEY: Okay and in the Revenue - Provincial, what is included in provincial and the same for the federal?

MR. LOVELESS: The federal: Higher than anticipated federal revenue due to revenue being received in '20-'21 relating to 2019-20 expenditures due to timing delays in revenue receipting. That's the federal piece.

MR. FORSEY: Okay.

MR. LOVELESS: That's the variance. The federal piece for the Estimates is revenue adjustment to reflect planned expenditures under the federal-provincial cost-shared agreement for 2020-21.

MR. FORSEY: Okay.

MR. LOVELESS: I think you might have asked provincial?

MR. FORSEY: I did, yeah.

MR. LOVELESS: Okay, I'll ask Keith if he could tell us about the provincial piece.

MR. DEERING: The provincial revenue is anticipated recapturing of projects that don't get completed during the year. In fact, last year we didn't have any and it's entered as a line item every year just to keep it on the books.

CHAIR: Mr. Dinn.

MR. J. DINN: Thank you, Chair.

4.2.03 Limestone Sales: I understand there's a subsidization. Does this apply to all forms of farming, including sod farmers? Or is it just for agricultural food production?

MR. LOVELESS: The target of the budget is for farmers in terms of food. If there are monies leftover, then those sod farmers would be considered –

MR. J. DINN: Perfect, thank you.

MR. LOVELESS: – through an application process.

MR. J. DINN: 4.3.01: I'm curious to hear – and maybe this is the question to ask. I would assume that this is where we would find the Grants and Subsidies to do with apple orchards? Would this be the appropriate place to ask that question? I'll ask it anyway.

MR. LOVELESS: Yes, ask the question.

MR. J. DINN: I'm just wondering and this is the question I was – I think Mr. Deering referred me to, when I was asking this question earlier. I'm just curious; I find, actually, the whole idea of having orchards in Newfoundland rather a remarkable project. They seem to be doing well, the ones I've encountered.

I'm just wondering how many orchards have we funded or gotten off the ground? I think that's also part of the doubling of food production as well, part of that. It's fascinating, actually, just to watch it happen and a great idea too.

MR. LOVELESS: It is fascinating to watch and I'll let Mr. Deering, with his passion, tell you all about that.

MR. DEERING: I'd have to go back to my database to get you a complete list. Off the top of my head I'm thinking over the past number of years we've probably funded in the range of a dozen apple orchards in this province. We've also assisted with the establishment of three different grape developments which, as well, has turned out to work remarkably well in this province.

MR. LOVELESS: If I can add to that, I was on the West Coast and I tasted one of the apples. It's delicious. I should have brought a bag in here and delivered them to you.

MR. J. DINN: Would it be predominantly apple orchards or would there be others, like pears or anything like that? Would they be scattered evenly throughout the province? Like I said, I know one on the Bonavista Peninsula and one on the Avalon. I'm just wondering: Where would the distribution be and how well are they doing? Have any of them reached the production level?

MR. DEERING: Yes, I would suggest that most of the projects that we funded, actually, in fruit production have been in Central Newfoundland. We do have individual projects scattered on the periphery of that, a couple in Western as well. Our largest grape trial is actually on the Bonavista Peninsula, as you indicated. Most of our fruit production and, in particular, apple production, is in Central Newfoundland in Wooddale.

MR. J. DINN: Remarkable. Anyway, I think it's a good investment for sure. You never know. If I don't last at this job I'll go into orchard production. Who knows?

MR. LOVELESS: I look forward to Jim Dinn's apples.

MR. J. DINN: That's right.

Under 4.3.02, Salaries: Even in last year's budget what they were budgeted for – the actual was much lower than the budgeted amount. This

year, over 40 per cent of this money remained on the table.

The question is: Are we having trouble filling vacant positions? If so, which ones? That's in 4.3.02.

MR. LOVELESS: Yes, just to touch on the variance, it was due to vacancies within that division, within the department. The Estimates for '20-'21 is salary adjustment.

In terms of the positions and all of the other stuff that you asked, I can ask Keith to comment on it, please.

MR. DEERING: Again, this is crop and livestock insurance. It depends on what type of a year we have, in terms of a production year, whether or not we need crop insurance folks in the field, as well as financial officers to process claims.

We have a number of positions that are on the books. If it's a good year, we don't need to fill them. These are mostly seasonal positions. We have the ability to recall them if we have a year that requires processing a lot of insurance claims.

MR. J. DINN: Okay, so they're like contract or seasonal?

MR. DEERING: Right.

MR. J. DINN: Okay.

Would that same rationale then be applied to the Grants and Subsidies?

MR. DEERING: Yes, that's correct.

MR. J. DINN: Okay.

MR. DEERING: If it's a bad year and we get a lot of claims, we tend to pay out more in that particular category.

MR. J. DINN: The variance or the actual would increase if we had a good year?

MR. DEERING: That's correct.

MR. J. DINN: Okay. That's 4.3.02.

Under 4.3.04, I think what I'm looking at here, the only question I would ask on that, since my colleague to the left has asked most of them anyway, which is good: In 4.3.04, we seem to anticipate a jump of about \$700,000 in federal revenue over '20-'21, any explanation for that?

MR. LOVELESS: I'll leave that for Keith to answer, please.

MR. DEERING: This is, again, our federal-provincial Canadian Agricultural Partnership program. We do have the ability – well, actually, we have the ability within the multilateral framework agreement to carry forward federal funds year by year up to 25 per cent; however, we have to, through this process, get authorities to transfer provincial funds forward.

So, in fact, the significant increase that you see this year is an increase of about \$1.4 million to account for money that did not get spent in the first two years of the program. We don't do it every year, but this year we did it for two subsequent years.

MR. J. DINN: Okay, thank you.

Under 4.4.01, we know that there's an increase of over \$100,000 to Salaries. Is this new money and what is this new money to be used for?

MR. LOVELESS: Sorry, I've got to ask: What section –?

MR. J. DINN: Sorry, 4.4.01.

There was an increase of over \$100,000 to Salaries. This is a new position, I would assume?

MR. LOVELESS: For the Estimates for '20-'21?

MR. J. DINN: Yes.

MR. LOVELESS: Yeah, that's for salary adjustment required for '20-'21.

MR. J. DINN: It wouldn't be a new position or anything like that?

MR. LOVELESS: No, it's the 27 pay periods.

MR. J. DINN: Ah.

MR. LOVELESS: Versus 26.

MR. J. DINN: Okay, excellent.

Would you have some examples of the projects being funded with Grants and Subsidies?

MR. LOVELESS: Yes, SPCA, the Chinook program, animal welfare, Canadian Animal Health Laboratorians Network and another one, Taylor award.

MR. J. DINN: Okay, thank you.

Finally in that section, 4.4.01, the source of federal revenue. It was actually lower than expected but it seems to have gone entirely for this year. What happened to that?

MR. LOVELESS: The federal revenue piece?

MR. J. DINN: Yes. It's no longer there.

MR. LOVELESS: The variance is due to removal of one-time federal revenue related to a one year, federal-provincial co-operative project. That was for the year of 2019-20.

MR. J. DINN: Okay, thank you.

In 4.5.01, there seems to be an overspending on Salaries, yet the budget there is still an increase of \$133,700. Would this be again related to salary adjustments and the 27 -?

MR. LOVELESS: Yes.

MR. J. DINN: Okay, perfect.

Chair, if you'll let me, I'll have my last question, Purchased Services was underspent by approximately a quarter, why is that?

MR. LOVELESS: The Purchased Services.

MR. J. DINN: In last year, it was \$104,200, it's still that but last year the Purchased Services was at \$80,000 roughly.

MR. LOVELESS: Yes, it was due to lower than anticipated service expenditures such as printing services, recycling and shredding

services and contracting services during the year.

MR. J. DINN: Perfect, thank you.

That's it for me on that section.

CHAIR: Mr. Forsey.

MR. FORSEY: Okay.

Just a couple of more questions, we'll go to 4.5.01. No, sorry, I'll backtrack on that. Can we get an update on the potato farm, seed potato?

MR. DEERING: We've undergone a bit of a transition over the last couple of years. I'm assuming you're talking about the Glenwood Seed Potato Farm?

MR. FORSEY: Yes.

MR. DEERING: We've rolled up operations in terms of seed potato production at that facility and moved all that to Wooddale. We are currently in the process of concluding an environmental assessment, a phase one environmental assessment of the Glenwood site to include it as part of our planned commercial potato production in '20-'21.

MR. FORSEY: Okay.

How's your new building working out in Corner Brook?

MR. LOVELESS: The lights are on.

MR. FORSEY: Any issues?

MR. LOVELESS: Do you have any issues?

OFFICIAL: (Inaudible.)

MR. LOVELESS: No, we don't have any issues that I can share.

MR. FORSEY: Okay.

All positions filled?

MR. LOVELESS: All the positions filled in what division? In terms of ...

MR. FORSEY: In Lands Division, Crown Lands.

MR. LOVELESS: I know there's some recruitment on some positions. I'm anxious to get them filled, no doubt, but that's an ongoing process.

MR. FORSEY: Okay, all right.

MR. LOVELESS: We'll get there.

MR. FORSEY: What is the status on the 64,000 hectares of Crown land identified for farmland?

MR. LOVELESS: I'll defer to the ADM for that.

MR. DEERING: If you bear me for just one second, I can give you some numbers.

Originally, we had 64,000 hectares; you're correct. Through a last-minute negotiation with Corner Brook Pulp and Paper, we wound up having to pare that down to 59 areas of interest, comprising about 62,000 hectares; 54 of those are on the Island portion of the province and five were in Labrador. To date, we have received 57 applications in those 59 AOIs, but only for about 2,200 hectares. So far we have approved and have in production 21 new leases for a total of 302 hectares.

Suffice it to say, the level of interest that we have seen from the public on these areas of interest have even been a little underwhelming to us. Out of a total of the 62,000 hectares that we advertised, we've only received applications for 2,200.

MR. FORSEY: Okay.

Public draws on Crown lands, they've been around for 25 years. Why would a public draw be tied up for 25 years?

MR. DEERING: I'm not sure if you can provide me with an example.

MR. FORSEY: Actually, yes, I can. Hold on.

CHAIR: Mr. Forsey, just for the benefit of the Committee and the meeting, maybe it would be

better to take that directly to the department, if it's an individual issue, a constituency issue.

MR. FORSEY: I did but I didn't get an answer. Anyway, I'll do it again.

No, we're good. Just two more quick questions: Can we have an update on the Labrador Resource Enforcement Division? On 5.2.02.

MR. LOVELESS: We're not there; we're not on that section.

CHAIR: We're not in section five yet. We have to vote on section four.

MR. FORSEY: I know we touched –

CHAIR: If there are no questions, then we'll (inaudible).

MR. FORSEY: Okay, no, we're done with that section.

CHAIR: I'll ask the Clerk to call the section.

CLERK: 4.1.01 to 4.5.01 inclusive.

CHAIR: Shall 4.1.01 to 4.5.01 inclusive carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 4.1.01 through 4.5.01 carried.

CLERK: 5.1.01 to 5.2.02 inclusive.

CHAIR: Shall 5.1.01 to 5.2.02 inclusive carry?

Mr. Forsey, your section on five – can now be asked those questions.

MR. FORSEY: Okay, sorry.

5.2.02: Can we have an update on the new Newfoundland and Labrador Resource Enforcement Division?

MR. LOVELESS: Okay, I'm going to turn it over to a new ADM now, Katie.

MS. NORMAN: Thank you very much. I would be happy to provide that.

The Resource Enforcement Division is in the process of being established. We're in phase one now, which involves the seniority-based offers to forestry officers who will be entering the Resource Enforcement Division.

Earlier you mentioned Labrador in particular, so I'll speak to that. That was the first region that we prioritized to make those offers and I'm pleased to say that all of those offers have now been accepted. The officers will begin training on October 19 and they're starting in their new positions on October 13. Similar timelines are in place for other regions and we're working sort of west to east with those offers. Actively, we've been contacting officers over the last number of days to make their offers.

Once that's concluded there's a phase-two process, which involves posting positions that are vacant. These are currently vacant positions in what was the Fish and Wildlife Enforcement Division and those will use a merit- and seniority-based Public Service Commission process to fill those.

MR. FORSEY: Okay.

What are the impacts of restructuring that department?

MS. NORMAN: From an impact perspective, if you're talking about employee impacts, there are actually more positions than there are individuals currently assigned to these positions. So we're not anticipating anybody losing their job as a result of this.

However, some individuals may choose to not enter the Resource Enforcement Division for a variety of reasons. We are actively working to find those individuals temporary assignments, as close to their current headquarters as possible, to accommodate them.

MR. FORSEY: Okay, thank you.

That's it.

CHAIR: You have no specific line by line there?

MR. FORSEY: No.

CHAIR: Mr. Dinn.

MR. J. DINN: Thank you.

If I may, just a follow-up on that, a quick question about the combining. Is this a common practice in other jurisdictions to combine the services in this manner, combine wildlife and forestry?

MS. NORMAN: Certainly it is. If you look across the country the scope of what a conservation officer service – which is kind of a general title for what we're calling resource enforcement – tends to be multi-streamed. There are often fish and wildlife enforcement as well as potentially other types of conservation services including forestry; Alberta includes sheriff officers' functions in there as well. Certainly, the scope of this expansion would be bringing us in line with national practices.

MR. J. DINN: There will be an attempt to keep people close to their base of where they live.

MS. NORMAN: I can't speak to individual impact, but what I can say, based on what I know, is that if individuals are transferring positions at this time in phase one, it's often because they've expressed an interest in doing so. We are working to accommodate as many people as possible, as close to their current headquarters as possible, but there may be some relocations that occur as result of this process.

MR. J. DINN: Okay. I mean people who want to move is one thing but forcing someone to move and uproot family, that would be, I think, a significant upheaval.

If I may then, with 5.1.01, I would assume in the Salaries that the Salaries variation – would that again be related to the salary adjustment due to the 27-week pay period? There wouldn't be any payout of severance there, would it?

MR. LOVELESS: No, the Estimates would be for salary adjustment. That's the 27 –

MR. J. DINN: That could be the case then for the increase in salary in all of these areas then?

MR. LOVELESS: Correct.

MR. J. DINN: Okay.

Professional Services were underspent by half, if I'm looking at it correctly there – maybe not – yet this budget item has not changed. Why?

MS. NORMAN: Are you referring to 5.1.01 under Purchased Services?

MR. J. DINN: Yes, Purchased Services.

MS. NORMAN: Purchased Services for us includes the cost of any divestiture activities that happen throughout the year such as – we typically grade the road in Belleoram each year as part of work infrastructure that we have, so there's a cost there for that. This also includes corporate services for the entire Petten Building, so, photocopiers, shredders – any moves that may occur from that time.

There was some savings associated with a new shredding contract for government; there were no major moves that needed to be absorbed, that kind of thing. It's kind of a corporate account that the department dips into for moves and office requirements.

MR. J. DINN: Thank you.

Under revenue it's budgeted for \$12,000 but there's a significant jump in the actuals for 2019-2020. What was the source of that windfall?

MS. NORMAN: The revenue variance relates to loan repayments under the former Forest Industry Diversification Program. There were two outstanding loans to two sawmilling operations who made repayments which are captured under there.

The \$12,000 amount deals with annual leases for marine service centres. We talked a little bit aquaculture wharves earlier, the usage fees for that are also paid in. That's the \$12,000. The additional almost \$500,000 is the Forest Industry Diversification Program loan repayments.

MR. J. DINN: That \$12,000 then, when you say for aquaculture wharves, is that for all aquaculture companies? Does that capture the lease arrangements?

MS. NORMAN: No. We have three fisheries and aquaculture wharves on the South Coast in Pool's Cove, Hermitage and Harbour Breton. Those are the usage fees for aquaculture companies in that region for the use of those facilities.

MR. J. DINN: Okay.

Somewhere I'm going to go back to – not right now, Minister, but at another time – the cleanup that we paid for as well. That's a conversation you and I can have at another time.

MR. LOVELESS: We certainly can.

MR. J. DINN: Okay.

On 5.1.02, I would assume here Transportation and Communications – would any of that be for helicopter service? It seems like a pretty small amount.

MR. LOVELESS: The variance here was less than anticipated travel expenditure during the year but helicopters are not in this one.

MR. J. DINN: Okay, I was just curious.

Would this division be using drones in part of its work? Do you know?

MS. NORMAN: We do use drones for small-scale mapping projects. For the Aerial Photography program the technology is not suitable for that scale but, yes, for small-scale projects.

MR. J. DINN: Okay, thank you.

In 5.1.02, Supplies, only a small amount of the money for Supplies was actually spent. There is a big decrease from \$65,000 for 2019-20 down to \$16,900, yet the actual for last year was \$8,000. Why is this the case?

MR. LOVELESS: That's due to cost for survey supplies required during the year. It's less than we anticipated.

MR. J. DINN: Is that because the surveys were curtailed or anything like that? That's a significant drop. Are we cutting back services, I guess, is what I'm looking at.

MS. NORMAN: This is a relatively new division established in 2017, so there's been some fluctuation in the Supplies amount in getting the right technology and equipment that staff need to operate. Certainly, there's been no reduction in services.

In part, these were fewer software costs that were actually able to be absorbed by the OCIO rather than the department. There also was a purchase of a survey-grade drone that actually had to be cancelled because it was unable to be delivered before March 31. That's an expenditure we're looking at for this year.

MR. J. DINN: Okay. Thank you very much.

For Purchased Services, there seems to be a significant increase in the budget, even though the variance for 2019, the actual, is actually much lower. What additional expenses are expected for the current year?

MR. LOVELESS: The variance was due to a lower than anticipated costs for the air photo program during the year. I'll ask Katie if she wishes to elaborate on the increased amount for '20-'21.

MS. NORMAN: As Minister Loveless has noted, a large portion of this is the Aerial Photography program. That budget fluctuates a little bit depending on which area of the province we plan to fly each year.

The tip of the Northern Peninsula was flown last year, which was at a lower cost. This current year we're focused on the Avalon Peninsula, which is \$150,000 of that \$173,000. The remaining amount has to do with maintenance costs. We have some expensive copiers and scanners and things like this that require annual maintenance.

MR. J. DINN: Okay. Thank you very much.

Expenses for Property, Furnishings and Equipment was over three times the budget for

2019. Was that related to that survey program, maybe where people were located?

MS. NORMAN: No. Earlier we spoke about Supplies being down. Part of that was some of the costs that I think had been anticipated as being a Supplies amount were actually incurred under Property, Furnishings and Equipment. There was a new survey; computer printing equipment was purchased, including a number of high-end computers for data analysis and mapping, a large-format printer and some temporary digital storage for aerial photography for fieldwork and a digital level for performing survey elevations.

MR. J. DINN: Thank you very much.

Finally, in that section there: What's the source of provincial revenue there? Why is it significantly lower than expected last year? You can see it dropped significantly.

MS. NORMAN: The sale is for digital map and data projects, wall maps and air photos. Because there is an online Land Use Atlas we are seeing a decrease in people purchasing printed maps and photos. However, as I mentioned, the Avalon Peninsula is planned to be flown, which will provide updated aerial imagery that we anticipate being in greater demand than some other regions. So we anticipate revenue being stable despite a drop the year prior.

CHAIR: Thank you, Mr. Dinn. Your time has expired.

Mr. Forsey has indicated that he has no further questions. If there are no further questions without an intervening speaker you'd have to request leave, Mr. Dinn, to ask further questions.

MR. J. DINN: All right.

I request leave. I need about five minutes.

MR. K. PARSONS: Leave.

CHAIR: Mr. Parsons.

Leave has been granted for five minutes.

MR. J. DINN: Thank you.

In Compliance, 5.2.01, spending on Salaries was under budget, yet we made an increase here. Is there an explanation for that?

MS. NORMAN: Yes, there were some temporary vacancies there that have been filled, but one of the key pieces was the recruitment of a manager of occupational health and safety for the department that now has been filled on a permanent basis. The salary had been allocated but the position wasn't filled in '19-'20, but it is now.

MR. J. DINN: The higher than estimated for the costs of Supplies?

MS. NORMAN: This variance was due to uniform supplies, primarily those related to officer safety. So survival suits, personal flotation devices, some field gear, soft body armour, those types of expenses.

MR. J. DINN: Okay, thank you.

The last section, 5.2.02, Enforcement: I think you asked this when I was looking at drones. I think that covers it.

Thank you very much, Chair.

CHAIR: Thank you, Mr. Dinn.

No further questions from the Committee on this subhead?

I ask the Clerk to call the headings.

CLERK: 5.1.01 to 5.2.02 inclusive.

CHAIR: Shall 5.1.01 to 5.2.02 inclusive carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, subheads 5.1.01 through 5.2.02 carried.

CLERK: Total.

CHAIR: Shall the total carry?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, Department of Fisheries, Forestry and Agriculture, total heads, carried.

CHAIR: Shall I report the Estimates of the Department of Fisheries, Forestry and Agriculture carried without amendment?

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

On motion, Estimates of the Department of Fisheries, Forestry and Agriculture carried without amendment.

CHAIR: I just want to take a moment to thank everybody for participating, the minister and his staff, all the officials with the Department of Fisheries, Forestry and Agriculture. There were significant questions asked here today by the Committee Members, by the Opposition and the Third Party. I certainly thank everybody for their co-operation and for working almost five hours now to get through these particular Estimates.

I will allow the minister and the Opposition Members, if they would like, to also say some closing remarks. Then we have to approve the minutes before we make a motion to adjourn.

Minister Loveless.

MR. LOVELESS: I did have a 10-page speech that I was going to give at the beginning. I didn't give it, but I shall give it now.

No, all I want to say is I do have staff members that came across the Island to be here. I just want to say thank you to them, and all the other staff members as well.

SOME HON. MEMBERS: Hear, hear!

MR. LOVELESS: And everybody else. I know it's late and, listen, thank you for what you do. You all make this process go successful. And the fine lady that's at the Table as well that's assisting us, it doesn't go unnoticed.

Anyway, thank you everybody. Sleep well tonight and have a good rest.

CHAIR: Mr. Parsons.

MR. K. PARSONS: I would just like to echo your comments. Thank you to everybody. Thank you for all the answers we received tonight. Still, in Estimates, I always learn a lot from them and I learned a little bit more this year.

Thank you very much for your time.

CHAIR: And Mr. Forsey.

MR. FORSEY: I said my piece earlier, but thanks again.

CHAIR: Wonderful.

Mr. Dinn.

MR. J. DINN: Yes, I would like to express my thanks. It's interesting; the only part that ever really gets covered is Question Period. It's when you do Estimates that you realize just how much work goes on behind the scenes. To Mr. Parsons's comment: I've learned an awful lot and I'll continue to learn each year.

Thank you very much for your time and your patience in asking questions, which I'm sure are pretty straightforward to you but which are, at times, opaque to us.

Thank you.

CHAIR: Thank you, Mr. Dinn.

Earlier this evening the Clerk circulated the minutes when the Resource Committee last met on October 5 where the Department of Industry, Energy and Technology had met with the Members there. Everybody would have had an opportunity to review those minutes, so I ask if we could have a mover.

MR. BENNETT: So moved.

CHAIR: Moved by the Member for Lewisporte - Twillingate.

On motion, minutes adopted as circulated.

CHAIR: With that, I will also announce that the next meeting of the Resource Committee is currently scheduled for Monday, October 19 at 6 p.m., that's the Department of Immigration, Skills and Labour for Resource Committee Members. That's the next time we're currently scheduled to meet, pending, there maybe changes. That will be circulated as well.

With that, it's 10:46, I ask for a mover for a motion to adjourn the meeting.

MR. TRIMPER: So moved.

CHAIR: The Member for Lake Melville, Mr. Trimper.

On motion, the Committee adjourned.