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HANSARD

*Speaker: Honourable Ross Wiseman, MHA*

Monday

25 March 2013  
(Throne Speech)

The House met at 2:00 p.m.

**MR. SPEAKER (Wiseman):** Order, please!

Please be seated.

**SERGEANT-AT-ARMS:** Mr. Speaker, the Justices of the Supreme Court have arrived.

**MR. SPEAKER:** Admit the Justices of the Supreme Court.

**SERGEANT-AT-ARMS:** Mr. Speaker, His Honour the Lieutenant Governor has arrived.

**MR. SPEAKER:** Admit His Honour the Lieutenant Governor.

[Mr. Speaker leaves the Chair]

[His Honour the Lieutenant Governor takes the Chair]

**SERGEANT-AT-ARMS:** It is the wish of His Honour the Lieutenant Governor that all present be seated.

**HIS HONOUR THE LIEUTENANT GOVERNOR (Frank F. Fagan, CM, ONL, MBA):**

### **A Sustainable Future for Newfoundland Labrador**

*Mr. Speaker and Members of the House of Assembly:*

Since 2003, My Government has taken series of deliberate actions to raise Newfoundland and Labrador, step by step, from underperformance toward the full measure of its potential. The journey has not been easy, and the work is not yet done, but how far we have come!

Prior to 2003, people were moving away from Newfoundland and Labrador by the thousands for lack of work. The tax burden on families was excessive. Critical infrastructure was crumbling from neglect. The government was hamstrung by the highest per-capita debt in the country. The province relied heavily each year

on equalization payments just to provide basic services comparable to those in the rest of the country. Newfoundland and Labrador was in a downward spiral.

Thanks to the leadership of My Premier and My Government, and the deliberate efforts we have taken together since 2003, all of that has changed. More people are working in our province today than ever before in our history. With 70,000 job openings on the horizon thanks to the Muskrat Falls development and other important initiatives, people are now moving here. Families are paying half a billion dollars a year less in taxes than they were paying a decade ago. Consumer spending is up. Housing starts are up. Capital investment is up. Critical infrastructure has been replaced or repaired. Public debt has been reduced by 28 per cent. We no longer need equalization to raise our revenues to the Canadian average. We are generating these revenues on our own, and we are now able to contribute to the Canadian family. That does not mean we have a windfall to spend. It simply means we are paying our own way. That is what it means to be a "have" province. And all Newfoundlanders and Labradorians are sharing in the benefits of the gains that we have made.

But all the gains we have made are in jeopardy if, at this critical juncture, we choose the wrong path forward. We are at a crossroads, and there are two fundamental reasons why.

The first is that our primary source of new revenue is oil. Not only is oil non-renewable, but it is also subject to large and unpredictable price fluctuations on the world market. From Alberta to Ottawa and beyond, all jurisdictions heavily reliant on oil revenues have suffered large reductions to their bottom lines this year because oil prices have tracked far lower than the markets projected. Even the Government of Canada has been negatively affected because of the reductions in natural resource revenues. We must diversify away from an over-reliance on oil if we are to put our economy on a solid, sustainable footing. My Government made this crystal clear in its 2007 comprehensive energy plan. That is why developing the renewable

energy resources of Muskrat Falls is so important to Newfoundland and Labrador's future.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

The second major threat to the gains we have made is just as fundamental. Newfoundland and Labrador's public sector costs are greater than our economy can afford or sustain. This province's public sector spending per capita is the highest of any province. There are only two ways to pay for that level of public spending – taxes and borrowing. But, when taxes are too high, they crush the very economy that the government is supposed to be serving. And when debt is too high, the cost of servicing that debt becomes a crushing obligation, draining revenues. Unpaid debt leaves our children a burden that crushes their opportunities. We cannot borrow for our day-to-day spending and send the bill to our children down the line. Newfoundlanders and Labradorians understand this.

We have to live within our means and continue to set clear and responsible priorities. It is about a balanced plan, a sustainable approach. To that end, My Government embarked last year on a Core Mandate Review to identify efficiencies and eliminate duplication and waste. The review protects essential functions while identifying innovative ways of consolidating and streamlining operations to meet these core functions more effectively and more affordably.

With our economy now stronger than ever and private-sector employment at record levels, this is the prudent time to take on the challenge of focusing on critical priorities, streamlining our public sector accordingly and zeroing in on the initiatives that place our province's economy on a solid, sustainable footing for the decades to come. Let no one pretend we have arrived. Let

no one pretend the need for fiscal prudence has passed.

Truly, Newfoundland and Labrador is at a crossroads. Two paths loom before us: the path we are on, and the path that inevitably leads back to where we were a decade ago.

Still, there are some voices in this province calling loudly for us to take this other path – to grow the size and cost of the public sector and raise taxes and public debt levels to pay for it. These same voices have also disagreed with My Government's decision to develop Muskrat Falls. They have disagreed with shifting from an overreliance on oil to a more-diversified economy with a stable revenue stream from renewable energy. Their path would lead us back to the predicament from which we have come – high debt, high taxes, less consumer spending, less investment, less employment, fewer people, fewer opportunities, and a bleaker future for our children and all of us. My Government will not choose that path. We know where it leads. We have come too far and learned too much to turn back the hard-won gains that together we have achieved.

*Mr. Speaker and Members of the House of Assembly:*

The path forward is about setting sound priorities. My Government is listening to Newfoundlanders and Labradorians. We will continually examine best practices to ensure we provide public services in the best ways possible.

The path forward is also about sustainability. There are many ways My Government is working to make our economy more sustainable and secure. We are diversifying our economy to reduce exposure to the fluctuations in the prices of commodities such as oil. We are investing in business attraction, retention, expansion, innovation, research, development and trade. We are continuing to improve strategic infrastructure to attract new investment while making equity investments of our own to foster growth. We are assessing options to put pensions on a solid footing so they will be there

for those who need them. We are running the government the way a sound business is run – in accordance with effective management principles. We are continually planning forward and making decisions strategically, with a view to their implications both now and over the long term. In this way, we are planning for the needs of today while securing a stronger, more-sustainable future.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

The path forward is also about innovation – about finding new and more-effective ways of achieving our goals. We cannot dismiss out-of-hand the suggestion that there might be better approaches worth trying just because things have been done a certain way year after year. There is always room to improve. We can learn from the pioneering approaches and best practices of other jurisdictions, just as they can learn from ours. In poverty reduction, ours is the model to follow; in other sectors, we may have things to learn. Some of the best new ideas will come from our own people, who have seen how things work and thought hard about ways of doing things better. We need to remain open to that – open to innovation; open to suggestions. New ideas are being reflected in our approaches to providing infant child care, home care, child protection, policing, career placement assistance, and business and regional support programming. New ideas are reforming our approach to public procurement to get more value for the money we spend. “Thinking outside the box” is not just a catch phrase: it is a principle we are embracing, because it improves the ways we govern while improving the lives of the people who we serve.

My First Minister, the Premier, is guiding this process with a keen eye to the impact on people. She is honest with Newfoundlanders and Labradorians about the challenges and choices we face, bringing her experience to the table and

listening to others who have perspectives and particular expertise to offer.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

She is a champion for the vulnerable with an appreciation of the value of self-reliance; an appreciation of the role of the private sector in generating the new wealth our economy requires to thrive; an appreciation of the need to encourage our youth in building the society that they will inherit from us. My Premier is determined to leave our children a legacy more sustainable and secure than the circumstances we inherited. She has a plan for our province.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

This Sustainability Plan will guide our approach moving forward. It is a fresh approach to governance, with a clear focus on the people we serve, the priorities we stand by, the results we need to achieve, and the path that will get us there. Good governance means serving the people as effectively as possible while living within our means. It means making choices that will leave our people better off than they would otherwise be. That is the essence of sustainability.

*Mr. Speaker and Members of the House of Assembly:*

Growing our economy is at the centre of what we do. Growth sustains us. Businesses, industries, and the people they employ are at the heart of every thriving community. The government’s role is to create the conditions for growth, open doors, build networks, promote

partnerships, educate and inform our people, showcase our strengths, foster innovation, and till the soil so new enterprises can take root and our communities can continue to thrive.

Nowhere are the opportunities more promising than in the Arctic. Why shouldn't we be leaders in the Arctic! We are home to Arctic peoples. Boasting one of the harshest marine environments in the world, our people have been harnessing the oceans for hundreds of years. Investing in the Arctic, economically, is simply the next step. Our government's Research & Development Corporation is spearheading ArcticTECH, a new three-year program that will make the most of our competitive advantages, our location, infrastructure, and proven track record in the harshest of environments. RDC has also partnered with Statoil Canada to leverage an investment of \$5 million in private sector-led R&D right here in Newfoundland and Labrador that will prepare us to fill key technological gaps in Arctic oil and gas development.

And that's not all. Through the Arctic Opportunities Initiative, our innovation department is working with the Nunatsiavut Government, local businesses, organizations, and communities to identify lucrative prospects in the Arctic.

We are linking our experts, combining our capacity, and marketing this province nationally and internationally as the gateway to the Arctic. For those not afraid of a challenge, the Arctic offers incredible opportunities, jobs and returns on investments. And we can do it all from a staging ground here in Newfoundland and Labrador.

The same harsh marine environment that prepares us for leadership in the Arctic also prepares us for leadership in the ocean technology sector here at home. Our "blue" technology sector is on track to grow in value to more than a billion dollars a year. A US-based trade publication is already celebrating our Province as "standing tall as an international epicenter of marine technology". Through partnerships linking the government, Memorial's

Marine Institute, the private sector and companion institutions as far afield as China, we have positioned Newfoundland and Labrador to take the lead in pioneering blue-tech solutions to challenges confronting coastal states around the world. Imagine that!

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

All sizes of businesses, large and small, can secure new business opportunities. So while we are pursuing the diversification agenda, there are opportunities for small- and medium-sized enterprises with major projects and resource development on the island and in Labrador. Supplier development helps local companies identify new business opportunities within major industrial projects. This program connects small- and medium-sized enterprises with large industrial projects by making them aware of how the supply chain for those projects works and introduces them to the specific opportunities and the players involved. Capitalizing on supplier development opportunities, particularly in terms of our major projects, is critical. We need to make sure our local companies have the information, skill and financial resources required. My Government supports economic growth through strategic investments in sector and market development, research and development capacity, key infrastructure, and workforce development. Investments made by the government are strengthening the business environment in Newfoundland and Labrador. Small and medium-sized businesses are helping diversify the provincial economy, develop innovative industries in our regions, and attract talent to our province.

We are transforming rural communities through leadership in aquaculture, and continuing to invest in innovation in agriculture through Growing Forward. Diversification enhances sustainability. That is why in all of these sectors and more, we are making investments to

broaden our economic base. From tourism and the arts to fisheries and geosciences, even in a year when public spending is being reined in, the sum of our investments in growth will remain enormous and the impact will continue to be huge and lasting.

To enhance sustainability, My Government has set its sights on improving telecommunications. Since 2003, through cooperation with industry, we have increased access for Newfoundlanders and Labradorians to where today, 87 per cent of the island and 95 per cent of Labrador has broadband access – and I have to say, tremendous, tremendous.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

As impressive as that is, it is about to get even better with the announcement this month of a major investment in Phase II of the Rural Broadband Initiative. By working collaboratively with a blend of wireless and wired providers, My Government is fulfilling its Blue Book commitment “to advance initiatives that improve broadband access” and make Newfoundland and Labrador a technology leader in the 21st century.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

Here is the real secret to sustainable, long-term growth: innovation and collaboration. By thinking inventively and working together, we can make our investments work harder. By linking up, we can make it easier for new developers to link in and gain the solid foothold they need to thrive. That is why we are working, not just with industries, but also with

regions and municipalities to promote regional growth and success. We will commence engagement with key stakeholders, including Municipalities Newfoundland and Labrador, on a potential comprehensive fiscal framework that is sustainable and works for municipalities in the province.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

We are partnering with the Newfoundland and Labrador Organization of Women Entrepreneurs, to leverage the strengths of women in business to help drive our vibrant economy. We are partnering with the Newfoundland-Labrador Federation of Co-operatives through a brand-new five-year memorandum of understanding. Four out of five dollars of the development money we invest goes to rural regions because we want those regions to succeed.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

We are leading a collaborative approach to economic development province-wide, partnering with municipalities, community development organizations, industry associations, business groups and private enterprises to get regions growing – to get regions benefiting fully from the opportunities springing up all around us.

We celebrate the progress we have made in developing strong and respectful relationships with Aboriginal peoples who contribute to this province’s rich, vibrant culture. Building on land claims, negotiated frameworks and resource development, together we continue to strive for

socio-economic success in our Aboriginal communities.

We are focusing, not just inward, but outward, counselling companies on how to make inroads in new markets across Canada and abroad. Trade means profit. We are helping companies knuckle down to develop robust marketing plans and growth strategies that maximize their strengths and capture new customers around the world. Their successes abroad benefit all of us here at home. That's why we are opening doors through trade missions, not only to traditional markets in the US and Europe, but also to growing markets in Brazil and China, where opportunities for growth are off the charts. Thanks to the annual international mining expo in China's Tianjin, for example, Labrador is getting unprecedented attention from investors with money to spend. In Europe, one of our major markets for fish products, Canada is working to reach a new free trade agreement. We welcome free trade there as well, as long as it means removing barriers that disadvantage our products, or improving access to our products. Newfoundland and Labrador will aggressively work to open up new avenues for trade, as long as those trade agreements are truly fair and do not compromise our best interests.

Trade is something we've been doing for centuries. We understand that a successful fishing industry must respond to the evolving preferences of global markets and international competition. After several months of intensive negotiation, the province and Ocean Choice International reached an agreement to reopen the Fortune fish plant to process its unutilized yellowtail quota.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

This agreement will return a minimum of 110 workers to the plant when the retrofit is complete and secure an additional 126 year-

round harvesting jobs. We are confident our partnership with OCI to process yellowtail for the Burin Peninsula will prove to be a resounding success.

In western Labrador, the mining industry is abuzz about new prospects for iron ore. The Julienne Lake prospect is a hot commodity, for which the province has already solicited Expressions of Interest and has most recently invited six interested parties to submit detailed proposals. Our goal is to secure yet another new mining venture in Labrador and additional long-term revenue and jobs for the people of our Province.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

Off the coast of Labrador, there is tremendous excitement over the discovery of three new basins and the doubling in size of an existing basin with the potential for the discovery of more oil.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

Thanks to the province's investments in geoscience under our Energy Plan, our offshore is yielding new and unexpected finds. It is offering the promise of expansion beyond the current projects at Hibernia, Hibernia South Expansion, Terra Nova, White Rose, North Amethyst and Hebron. Our offshore is not done yielding good news yet. Far from it! To promote even more interest and competition in our offshore, My Government will work with the federal government and the Canada-Newfoundland and Labrador Offshore Petroleum Board this year to improve the

competitiveness of our land tenure system to open up new opportunities for growth.

Newfoundland and Labrador is now recognized as a frontrunner in promoting strategic and sustainable energy development in Canada, thanks to this province's leadership in developing the hydropower resources of Muskrat Falls. Through this project, we are opening a new energy conduit in eastern Canada while putting our own province's economy on a strong, sustainable footing. My Premier is also working alongside the Premiers of Alberta and Manitoba in leading the development of a new Canadian Council of the Federation energy strategy.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

Newfoundland and Labrador is seen across the country as a leader in driving energy development, cooperation and innovation.

Growing our resource sector benefits all of us. The more our resource sector grows, the more development revenues they generate, and the less taxes we need to collect from people to pay for the services we provide.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

Resource sector growth supports population growth by providing a solid foundation on which people can build for the future, sink down roots, ground their families, and make strong and lasting connections. Strong, thriving communities attract and anchor the skilled workers our economy needs.

This principle has motivated My Government from the very start. A decade ago, it identified the solution that would meet the demand for skilled labour in our province while at the same time addressing the need in our communities for an influx of young families. A decade ago, it recognized what was wrong that needed fixing. New post-secondary graduates were hamstrung by burdens of debt so onerous that many had to leave the province to find jobs lucrative enough to pay those debts down. Others who would have benefited from developing post-secondary skills were scared away by the high costs of going to college. They were instead heading out west for whatever jobs they could get. Newfoundland and Labrador was hemorrhaging its brightest and best, and largely because of a failure to appreciate the importance of accessible and affordable post-secondary education. My newly elected Government immediately took aim at the problem by launching a White Paper on Public Post-secondary Education followed by the Skills Task Force. The goals were clear. Prepare our young people with the skills they would need for the opportunities coming down the pipe, and reduce the burden of debt that was deterring them from putting down roots here, buying homes and starting families.

Well, what a difference a decade makes! Today, Newfoundland and Labrador offers among the lowest tuition fees anywhere in Canada and a student aid program second to none.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

People once prohibited by costs from advancing their skills are now thriving at college and graduating free of the excessive burdens of debt that were driving graduates away. Not only our own children, but students from across Canada and around the world are forming strong attachments to our province's communities in greater numbers than ever before, and joining us in lifting our province up to the next level of



sustainable economic activity. What we are today witnessing is a wholesale transformation of our society. Graduates – from both here and away – are now choosing to stay in Newfoundland and Labrador and make this place home. With an influx of young people and families, we are beginning to experience the renaissance we have long been seeking, with renewed vibrancy and new energy to drive growth.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

We are on the right track, and that is why we are determined to ensure Memorial University and College of the North Atlantic remain among the most accessible post-secondary institutions in Canada, with the lowest tuition fees and the best student aid program in the country. That was My Government's Blue Book pledge, and Newfoundland and Labrador is stronger today because we are keeping this promise. Our actions ensure the College and the University remain nimble, responsive and relevant to the needs of the population they serve.

We are also giving our college graduates the leg up they need to access apprenticeships and obtain journeyman certification so they are ready to take the jobs our economy is generating. The high uptake under the Apprenticeship Wage Subsidy Program and the new Journeyman Mentorship Program is a clear indication the programs are meeting real needs. We will continue to open wider the door of opportunity to those under-represented in skilled trades, including women, Aboriginal people, visible minorities, and persons with disabilities. To promote inclusiveness, we will work with employers to achieve diversity obligations for major agreements and projects, just as we have with Hebron and Vale.

Our Workforce Development and Productivity Secretariat will lead the development and

implementation of a government-wide labour market strategy. The provincial government will build stronger partnerships with major resource developers, other employers, employer organizations, sector associations, organized labour, community-based organizations and post-secondary education and training institutions to ensure we stay abreast of our changing labour market needs and supply challenges so we can quickly adapt, collaboratively and effectively. By forecasting our needs well in advance and learning to adjust to shifting circumstances, we will be better able to match people seeking work with employers seeking workers as each need arises. By linking development to towns, we will spread the benefits throughout the province.

We are participating in a similar initiative regionally. The Atlantic Work Force Partnership, sponsored by the Council of Atlantic Premiers, is focusing on the particular labour needs associated with the mining, electricity and shipbuilding sectors to ensure we are prepared as demand grows.

My Government's 10-year Child Care Strategy also supports labour market development by making quality child care accessible and affordable for parents.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

To bring the benefits of growth to individual citizens, we will transform the province's network of Career Work Centres to an enhanced network of Employment Centres to take on a greater role in transitioning people from joblessness to the work force. AES offices will take on this employment-focused role to complement the already existing network of departmental resources. No one should be left behind simply because they are not currently in receipt of Employment Insurance. We want to give all of our people the opportunity to find

meaningful and productive careers so they can share in the opportunities that are growing throughout Newfoundland and Labrador. The renewed one-stop Employment Centres will offer people the resources and support of trained staff with the expertise to help them make a quick and seamless attachment to the workforce. This is a prime example of the way our government, by finding new ways of doing things, can accomplish more with less.

My Government realizes that new ways of thinking and new approaches cause stress and turmoil. It is important to deal with these issues honestly and openly so people are not caught by surprise, but fully engaged in the process. My Government is listening. It has heard people's concerns, and it is committed to making the transitions to new approaches as easy as possible, by working cooperatively with people to smooth out any rough patches.

***Mr. Speaker and Members of the House of Assembly:***

No area of public investment is more important than health care. Nevertheless, spending on health care simply cannot continue to grow at the current pace without becoming unsustainable. We are convinced there are ways to spend our health care investments more effectively to maintain and improve the quality of frontline services while increasing the value we get for these investments. In this year's Budget, My Government will make investments to improve the quality and performance of our health care system while ensuring a continued focus on caring for patients who rely on the services our health care professionals so capably and compassionately deliver. By finding efficiencies in how services are delivered, we can continue to make sustainable investments in programs that deliver results to patients. Health care will not be compromised.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

***Mr. Speaker and Members of the House of Assembly:***

Patients will not be compromised. But we will do a better job of living within our means while delivering services more effectively.

As My First Minister, the Premier, announced on the 20th of March, with a \$227 million investment over the next three years, My Government will advance construction on a new regional acute care health facility in Corner Brook.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

***Mr. Speaker and Members of the House of Assembly:***

Budget 2013 will provide for the significant advancement of this important infrastructure project. The new hospital complex will provide vital health services to the residents of the western region for generations to come. It includes an acute care centre, a separate long-term care facility with in-patient mental health services, and a hostel. Construction is expected to commence in 2015.

As part of the Supportive Living Program, which helps provide housing to people with complex needs, Newfoundland Labrador Housing has engaged a national consultant to better understand homelessness in our province. The findings will inform future decision-making by ensuring we get a clear picture of needs that may be hidden from view.

***Mr. Speaker and Members of the House of Assembly:***

We must continue to stake a stand against violence. Last year, My Government undertook an evaluation of the first phase of the Violence Prevention Initiative it launched in 2006. Province-wide consultations were complemented by a provincial attitudinal survey about violence and abuse in Newfoundland and

Labrador. Clearly, there is more work to be done. The information gathered will shape the initiative's second phase and help us prevent violence against vulnerable populations, including those who have been sexually exploited.

Violence has emerged as a significant issue among young people, particularly through new vehicles such as social media. Bullying and harassment of students cannot be tolerated.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

No student should live in fear. In the coming year, My Government will use information gathered during recent consultations on bullying to inform changes to the Safe and Caring Schools Policy and protocols, and if necessary, to spur legislative amendments to address the serious issue of bullying. My Government will continue to advance the new teacher resource call My Gay-Straight Alliance to support students with different sexual orientations.

Parents and the public are increasingly concerned about those who are subject to violence on the internet. Some 80 per cent of the victims of luring and other violence perpetrated online are young girls. Led by Newfoundland and Labrador, the Atlantic Ministers Responsible for the Status of Women are working together to create awareness and prevent cyber-violence targeting young girls online. On the 11<sup>th</sup> of October, the first International Day of the Girl, MacDonald Drive Junior High School in St. John's became the launch site for the Cybersafe Girl Initiative. This program provides young girls, their parents and educators with information on how to prevent young girls from experiencing violence and abuse on the internet. This initiative was recently showcased at a United Nations Meeting on the Status of Women in New York as an example of best practices that other jurisdictions

are interested in emulating. Our leadership online will help keep many young girls safe.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

My Premier has just announced a new task force linking members of the RNC and RCMP in this province to investigate organized and serious crimes, such as illegal drug activity and child exploitation.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

Working together in this way, our police forces will make a tremendous difference in combatting crime and protecting our people, particularly children, from harm.

*Mr. Speaker and Members of the House of Assembly:*

Expect to see advances over the next two years in the implementation of province-wide 911 emergency services – near and dear to my heart.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

I am delighted this happened before I die.

Expect to see new legislation in this session to improve safety in the province's offshore. Even though people labouring on our province's oceans have been facing risks with courage for

generations, My Government believes there are things we can do and ought to do to solidify the importance of safety in the offshore oil and gas industry. The first Bill on the legislature's Order Paper will be amendments to the Atlantic Accord Acts to provide for a comprehensive offshore petroleum Occupational Health and Safety regime. The amendments will provide a clear and enforceable regime and provide regulatory-making powers in offshore petroleum occupational health and safety.

Already, this past September, we provided for the establishment of a Fish Harvester Safety Association to bring a greater measure of protection to one of the most dangerous professions in the world.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

As part of our open government initiative, we have started releasing restaurant inspection reports online, along with reports on school repairs, geological mapping, park statistics, game harvests and departmental salaries, and the annual reports of the governing bodies of regulated health professions. There is much more to come. Ours is the most open and accountable government in this province since Confederation and among the most transparent in the country.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

More information is readily accessible than ever before, while information that warrants protection for reasons of privacy is kept secure. My Government has struck the proper balance

that preserves the right to know while protecting privacy and personal information.

Open government also means open consultation, which we are achieving through our new Office of Public Engagement. This office enables us to engage young people, seniors, rural stakeholders, community organizations and other citizens in deliberations and decisions that profoundly affect their lives. In a truly open democracy, engaging citizens is not a luxury but a basic principle of good governance.

My Government is clearly focused on the well-being of children. Complementing our Continuum of Care Strategy is our ongoing province-wide Foster A Future campaign welcoming new foster parents, whose care our vulnerable children desperately need.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

Our continuum of care approach is all about giving these children the stability and support they need to thrive.

There are other ways we are preparing our young children to maximize their potential. Through our investments in early childhood learning, we are targeting children at the youngest stages of their lives, when cognitive development is most rapid and structured intervention makes the greatest difference. Intervention in these earliest years opens the floodgates to learning in the years that follow when children go to school.

Through our continuing investments in K-12 education, we are continually doing more to ensure our students can compete with their peers across Canada and around the world.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

We are paying close attention to the best practices of others and setting the bar high so our students can excel in mathematics and the sciences, language arts and technology. We want to ensure they are ready to take the lead in seizing the opportunities they are about to inherit.

*Mr. Speaker and Members of the House of Assembly:*

We are determined to prepare our children with the skills they need to secure a bright and prosperous future. We are determined to leave them a legacy that is sustainable fiscally, environmentally and economically. Spending within our means is fiscally sustainable. Developing renewable energy is environmentally sustainable. Diversification is economically sustainable. These are deliberate approaches that we *can* take and *must* take to shape the future our children will inherit.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

That is why they are at the heart of this year's budgetary plan. When we are honest about where we have been, how far we have come, and what it took to get to where we are, it is clear the path we have chosen is sound. The best path forward is the path we are on.

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

**HIS HONOUR THE LIEUTENANT GOVERNOR:**

*Mr. Speaker and Members of the House of Assembly:*

Estimates of expenditure will be laid before you in due course and you will be asked to grant supply to Her Majesty.

I invoke God's blessing upon you as you commence this new Session.

May Divine Providence guide you in your deliberation.

Thank you.

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

[His Honour the Lieutenant Governor, the Vice-Regal Entourage and the Justices of the Supreme Court leave the Assembly Chamber]

[Mr. Speaker returns to the Chair]

**MR. SPEAKER (Wiseman):** Order, please!

Please be seated.

The hon. the Government House Leader.

**MR. KING:** Thank you.

Mr. Speaker, I ask leave to introduce a bill entitled, An Act To Amend The Canada-Newfoundland And Labrador Atlantic Accord Implementation Newfoundland And Labrador Act. (Bill 1)

**MR. SPEAKER:** Does the minister have leave?

**AN HON. MEMBER:** By leave.

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

**MR. KING:** Thank you, Mr. Speaker.

Mr. Speaker, I move, seconded by the Minister of Natural Resources, that Bill 1, An Act To Amend The Canada-Newfoundland And Labrador Atlantic Accord Implementation Newfoundland And Labrador Act, be now read a first time.

**MR. SPEAKER:** Is it the pleasure of the House to adopt the motion?

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

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

Motion carried.

**CLERK:** An Act To Amend The Canada-Newfoundland And Labrador Atlantic Accord Implementation Newfoundland And Labrador Act. (Bill 1).

**MR. SPEAKER:** This bill has now been read a first time.

When shall the bill be read a second time?

**MR. KING:** Tomorrow.

**MR. SPEAKER:** Tomorrow.

On motion, Bill 1 read a first time, ordered read a second time on tomorrow.

**MR. SPEAKER:** His Honour the Lieutenant Governor has pleased us to make a Speech to the members of the General Assembly. We should take a few moments now to distribute the copies of that Speech.

[The Pages distribute the Speech to all members]

**MR. SPEAKER:** The Member for Mount Pearl North.

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

**MR. KENT:** Thank you, Mr. Speaker, and good afternoon.

It is a tremendous honour to represent the people of the District of Mount Pearl North as I stand here today to speak to the Speech from the Throne, as read by His Honour the Lieutenant Governor, Frank Fagan.

I would like to thank His Honour for his very first Throne Speech which highlights many of the positive developments underway in Newfoundland and Labrador, lays out a vision and lays out a plan for continued prosperity for our Province in the future.

I would like begin my comments, Mr. Speaker, by taking the opportunity to congratulate the Lieutenant Governor on his recent appointment to the position. I know all members in this hon. House join me in wishing him the best of luck and thanking him for accepting this new role.

Mr. Speaker, I would also like to thank His Honour, Mr. John Crosbie, for his loyal service to our Province over the past five years as the Queen's Representative in Newfoundland and Labrador.

As Canada's youngest Province, we have often taken our share of knocks, and time after time, we have had to pull ourselves up by our own boot straps. Now, Mr. Speaker, we have finally come into our own as equal partners in the Dominion of Canada.

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

**MR. KENT:** Mr. Speaker, this government has worked hard over the past ten years to effect a transformation in this Province, the likes of which has never been seen before. Because of the sound fiscal management of this government, we now find ourselves on solid, financial ground with a long-term plan for sustainable economic prosperity. Not only have we weathered the global economic downturn, we are being cited by leading financial institutions throughout the country as the example to follow.

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

**MR. KENT:** Mr. Speaker, as a result of this government's consistent and steady hand at the wheel investing in people, investing in services, investing in infrastructure, the unemployment rate in this Province is the lowest it has ever been and employment is at its highest point in history.

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

**MR. KENT:** Employment is at its highest point in our history. For the first time ever, the average weekly wages in Newfoundland and Labrador are higher than the average in Canada, and our population is growing.

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

**MR. KENT:** Mr. Speaker, it is indeed an honour to serve in a government led by our Premier who has remained steadfast in her determination to see the best possible returns from our resource development come to the people of this Province.

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

**MR. KENT:** Her resolute position in negotiations on the Hebron and the Muskrat Falls Projects are just two examples of how Newfoundlanders and Labradorians have benefited from our Premier's vision, our Premier's compassion, and our Premier's determination.

Through hard work, through sound fiscal management, and through smart investments over the last ten years, we have moved into a new era of prosperity with exciting new business activity and unprecedented employment opportunities in Newfoundland and Labrador.

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

**MR. KENT:** Mr. Speaker, we continuously hear great news stories that indicate the success of this government's work in investments. One such example of where our smart investments are paying off is in the relatively new growth area of ocean technologies. It is on track to becoming a \$1 billion industry thanks to the vision, planning, and investments of our Progressive Conservative government.

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

**MR. KENT:** As the Member of the House of Assembly for the District of Mount Pearl North, it has been wonderful to see how the residents of

the Town of Paradise and the City of Mount Pearl are benefiting from our government's investments. Over the past few years alone, we have seen a new community centre, a new recreational multiplex, two new elementary schools, new sports fields, new facilities, and record levels of municipal infrastructure projects in the district. Mr. Speaker, I am sure the benefits of these projects will be enjoyed by the residents of Paradise and the residents of Mount Pearl for many years to come.

Mr. Speaker, our government is truly listening to Newfoundlanders and Labradorians. That is why providing quality health care continues to be a priority for our government. We are committed to providing a solid health care system that is both sustainable and responsive, and meets the needs of Newfoundlanders and Labradorians. We have invested over \$140 million to reduce wait times and that investment is paying off, with Newfoundland and Labrador ranking second in the country in national wait time benchmarks.

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

**MR. KENT:** Furthermore, Newfoundland and Labrador leads the nation in hip fracture repair wait times, and we are above the national average for knee replacement wait times.

Mr. Speaker, we will indeed continue to make strategic investments to ensure the people of the Province receive high-quality services. At the same time, we will continue to manage our Province's finances for a sustainable economy to benefit Newfoundlanders and Labradorians for generations to come. Of course, we hope to enjoy oil revenues for many more years, but we refuse to leave our economy at the mercy of oil prices. Therefore, as outlined in the Throne Speech this afternoon, we have set in motion our plan to further diversify our economy.

Mr. Speaker, a diversity of revenue streams is the key to minimizing the impact of volatile oil prices, and diversity is what we have planned for and will achieve in Newfoundland and Labrador. Opening up renewable energy sources is essential to sustaining our economy over the

long term. The development of Muskrat Falls is indeed part of this solution, as it brings a stable, reliable revenue stream from a renewable energy resource. It will be a major revenue generator for our Province, with revenues in excess of \$20 billion.

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

**MR. KENT:** This Progressive Conservative government has a solid track record in economic diversification, in fiscal management, and investing in social programs, businesses, and infrastructure. We are providing for the present, while laying the plan for an even stronger, more enduring economy in the future.

Mr. Speaker, I now move that a Select Committee be appointed to draft an Address in Reply to the Speech from the Throne.

Thank you.

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

**MR. SPEAKER:** The hon. the Member for the District of Terra Nova.

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

**MR. S. COLLINS:** Thank you, Mr. Speaker.

It is a privilege to rise in this House today representing the great people of the District of Terra Nova, and to second the motion that a Select Committee be appointed to draft an Address in Reply to the Speech from the Throne.

Mr. Speaker, first I would like to thank His Honour the Lieutenant Governor for his first speech in the House, which was a great speech. I wish him and his family all the best during their tenure at Government House.

The Speech from the Throne clearly outlines a comprehensive plan that this government has developed for the future. Our government has a solid history of fiscal management, delivering six out of seven surpluses to the people, amounting to over \$5.5 billion since we took office.

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

**MR. S. COLLINS:** This year, we are dealing with a deficit, a similar situation found in many provinces across the country that depend on non-renewable commodities for the bulk of their revenues. Alberta is a perfect example of this.

However, through solid fiscal management and planning, continued smart investments in infrastructure and people, and paying down the debt, we find ourselves in a good position to get through this period. With a strategic outlook and a clear vision, we are able to deliver a high level of services and programs to the people of the Province.

We have invested billions in our infrastructure since 2003 and in turn, stimulated the economy, which helped take us through the recession, but also rebuilt our Province's crumbling schools, hospitals, roads, and municipal infrastructure. The sustained strength of our provincial economy is due in part to our substantial infrastructure investments over the last number of years. These investments supported growth and business development in our communities throughout the entire Province, and at the same time protected us from the impact of the global economic downturn.

Our efforts, Mr. Speaker, have not gone unnoticed. We have received praise and accolades from all corners of the financial world including Bank of Canada Governor Mark Carney, Standard & Poor's rating agency, ScotiaMcLeod, economist Mary Webb, the Fraser Institute and, just recently, Mr. Speaker, even the left-leaning Canadian Centre for Policy Alternatives.

Our government has reduced the Province's public debt by one-third, reducing our interest payments, securing a stronger credit rating, and establishing a more secure fiscal position moving forward.

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

**MR. S. COLLINS:** However, our Province's revenues have seen a steep drop this year



primarily due to global economic uncertainty and a drop in commodity markets, which had a direct impact on our oil revenues. The Premier posed the question in a speech to the board of trade over a year ago: how do we achieve the careful balancing act between economic growth, a high quality of life, and affordable public finances?

As responsible stewards, we know we have to achieve that balance, Mr. Speaker. Decreasing oil production and price combined with equalization payments no longer coming to the Province means we have less money. We have to face some challenges in the upcoming Budget. With every challenge comes opportunity. We have taken this opportunity to ensure we are spending our money in the most effective way possible.

Our review of all departments means that we are offering services to the people of this Province more effectively and more efficiently. This is responsible and prudent money management. What we do now is within our control.

When world economies were suffering, we came through stronger with momentum because of the sound decisions we made here in Newfoundland and Labrador. We must carry on that same steady hand of fiscal prudence and sound judgment that brought us through the downturn and gave us the highest Standard & Poor's credit rating ever in this Province.

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

**MR. S. COLLINS:** As was said by my colleague earlier, Mr. Speaker, employment has grown to record highs and is now 230,000 people. 2012 employment growth was the second highest of all provinces. This government has brought a long and proud list of economic firsts to Newfoundland and Labrador, and we have a plan to take this Province through this critical time of decision.

We will stay on the road to economic strength. We will not falter now and take the road back to the dark days when we depended on someone else to pay our way. It is not going to happen.

The path is clear: government must bring expenditures in-line with forecasted revenues while maintaining the financial and economic progress that has been achieved to date. As a government, we must plan effectively now to build an economy that is sustainable, not just for our generation, Mr. Speaker, but for those who come behind us.

Muskrat Falls is an example of this. In the construction phase, there will be thousands of jobs and hundreds of millions of dollars worth of opportunities for people all over our Province. The development will provide us with much-needed power for up to \$15 billion in industrial development in Labrador. Once on stream, Muskrat Falls will allow us to diversify our economy through clean, stable electricity for a power-hungry continent, and the Maritime Link portion of the development will give us a strong negotiation position for power exports for future development, such as Gull Island.

Mr. Speaker, with a return of \$20 billion for an investment of \$6 billion, Muskrat Falls is a visionary, forward-thinking solution for this Province's need to diversify the economy. One would wonder how anyone could be against such an obvious project.

This government has made more progress in economic diversification than any other government in our Province. The aquaculture industry is a shining example of rural revitalization with strategic investments. We have invested \$24 million and leveraged another \$400 million in private money, employing 1,000 people and transforming whole regions of this Province, Mr. Speaker.

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

**MR. S. COLLINS:** Although some do not believe in rural revitalization, Mr. Speaker, I can guarantee you this government remains committed to it.

Another area of growth that is a bright light for our Province is the numbers that recently came out of the tourism sector. We recently surpassed the \$1 billion mark spent in tourism industry,

and this number is projected to keep rising. The government's focus in promoting our Province's unique beauty has paid dividends over and over again. Fifty-three per cent of the total spending was by residents of this Province who stayed at home and explored.

My district, I am proud to say, was sure to be one of the more preferred districts in, perhaps, the Province, by residents and non-residents alike. The Terra Nova District, Mr. Speaker, as you are probably aware, is home to over 13,000 people spread out over twenty different communities and is a diverse, dynamic district and a region of Newfoundland and Labrador that is home to some of the most breathtaking scenery in the world. Terra Nova is vibrant and thriving, experiencing unprecedented growth and prosperity over the last decade.

Our government continues to invest in other critical areas, ensuring that people see the benefits from our growth and prosperity. In 2012-2013, this government spent \$2.9 billion in health care. This represents an increase of 142 per cent, Mr. Speaker, since 2000-2001. Furthermore, recognizing that education is key to prosperity, we have increased our investment to \$1.2 billion in education, which represents an increase of 71 per cent from 2000 to now.

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

**MR. S. COLLINS:** Mr. Speaker, spending is only half of it. Of course, we have to recognize the other side. It is not all about spending; it is also about paying down our debt. Since 2004, we have decreased our net debt from \$11.9 billion to a projected \$8.9 billion in 2012-2013, a decline of 25 per cent or one quarter. It is this balanced approach that guides our government in the future, setting a high standard of service delivery to people, but at the same time managing our responsibilities so that we leave an economically healthy province to our children and grandchildren.

We do not want to increase taxes, and therefore must find ways to manage our deficits. Through budget consultations, our Minister of Finance travelled the Province, meeting with people from

all over to ask them where we should reduce spending and what areas are of priority to them. We listened and used this input to guide our decisions in this year's Budget.

The future for this Province is incredibly promising and bright, Mr. Speaker. Standing together, we will work to maintain the successes we have achieved, but only if we choose the road to financial stability, economic diversification, and responsible stewardship. This government will continue to build on the momentum we have created over the past ten years so that the people of this Province can continue to prosper and call Newfoundland and Labrador home.

Thank you, Mr. Speaker.

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

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

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

**MR. BALL:** Thank you, Mr. Speaker.

Well, it is a great privilege for me to be here today and stand in this House and welcome our new Lieutenant Governor and his wife to the Assembly. I want to compliment him on his first reading of the Throne Speech. I cannot help but think, as I listened to the Throne Speech, how I look forward to the day when he would be reading a Throne Speech that was comprised and composed for members on this side.

In the meantime, knowing the tremendous contribution that His Honour and His Grace's wife, Pat, have made to the people of Newfoundland and Labrador in their private lives, I am confident they have set a new standard for the Government House. That is not to say the contributions of past Lieutenant Governors and their predecessors – we all agree that these contributions have been substantial.

So, Mr. Speaker, I would also like to take this opportunity to welcome our chief justices and

members of our court as well as heads of various denominations here in the House of Assembly today. Of particular interest to me is my old Grade 5 teacher. It is the first time I have seen him in quite some time. That is Major Wayne Pritchett who taught me, there in the Salvation Army uniform today. Welcome, Sir, and also to members of our police forces, both the RCMP and the RNC, and members of our Armed Forces and dignitaries who are in attendance.

Finally, I want to extend a special welcome to all those who have watched by the Web cast or by TV today at home. It is always a privilege for us as Members of the House of Assembly to do what we do and bring the people across the Province into our House.

Today, during the Throne Speech, the word crossroads was mentioned, and in my response today I talk a little bit more about a turning point. Mr. Speaker, the Speech from the Throne has outlined government's vision for the upcoming session of this House, a session really which started three weeks ago for many of us, where we debated Interim Supply. So far it has been an interesting session, with several good exchanges, I might add. There have been lots of good questions. As we would expect from Question Periods and debates, the exchanges have been a little different and sometimes a little shy on answers for us in the Official Opposition.

Yet, Mr. Speaker, today's Speech from the Throne comes at a turning point, as I said, in the history of this government. The people of this Province are looking towards answers from a party that has, in our opinion, lost their way, and a government that has had their best-before date. This is the tenth Throne Speech for this Administration, and like all others, it contains a lot of the particular buzzwords and commitments we have come to expect from government; but the people of this Province no longer believe in the lofty language and the soaring rhetoric. They no longer believe in this. They know, because this government has given them a reason to know, that their actions rarely equal their words.

That is why, Mr. Speaker, many people find it ironic to hear this government's promise of fiscal management and investment in a proud future because their record has been something quite different. In fact, the difference between the records and the words of this Administration and the reality of their performance finds many people in this Province bewildered. They talk on one hand of having billions of dollars for investment into projects like Muskrat Falls, and on the other hand they have dug a billion-dollar deficit. The Premier preaches austerity and then turns around and stacks the senior public service with highly-paid party supporters, and adding to the irony, heaping bonuses and thousands of dollars upon them. Mr. Speaker, this is a regime that walks and talks in irony, but the most ironic thing of all is that this Premier and her colleagues do not even seem to know the mismatch between actions and the words they say.

What has happened, Mr. Speaker? That is a question that is on the minds of many people in our Province. Where did all of this money go? How did the Premier and her government suddenly go from being a have Province to where we are now, talking about deficits and this hard up position overnight? Well, we will get some reasons for that in a moment. For now, let me say that to whom much is given, much is expected. This government has been given a lot.

Mr. Speaker, thanks to the resource deals that have been signed by other Premiers – and we could go back to 1985 where the groundwork was laid for a lot of the benefits we see today with the Atlantic Accord by Premier Peckford, Premier Wells, Premier Tobin and Premier Grimes. They did a lot in signing deals where today we reap the benefits, projects like Hibernia, White Rose, Terra Nova, Voisey's Bay. This government has not signed any of those particular deals, and we all know that.

This government received a windfall of cash, literally billions and billions of dollars into the public purse. Now people are wondering: what did they do with all this money? Where did this money all go? Did they invest for a rainy day? Did they use it to actually diversify the

economy? Did they use it to build a foundation for future generations of Newfoundlanders and Labradorians?

Mr. Speaker, no, they did not. They did not manage carefully. They did not invest into the future. They did not diversify the economy. Even an old economy based on the fishery is crumbling and suffering for want of action.

What did they do with the money, Mr. Speaker? That is the question. They spent it. They spent it so much and so fast that they set records, they set records from governments all across Canada.

Mr. Speaker, some of this spending, I will say and I will acknowledge, it was money well spent. It needed to happen. After decades of living with not a lot of money, without resource revenue – and political parties from all stripes, there was certainly an infrastructure deficit that needed to be addressed in this particular Province. There was a lot of catching up that had to be done.

You would think, Mr. Speaker, that having struggled for so long with so little money, that when the money started to roll in – because of those past deals that had been done by other governments that I spoke about earlier – this government would recognize the fact that being prudent was necessary in these particular times. That it would be important to pay down the debt, right size the public service and make the strategic-type investments that would indeed diversify our economy, and to be ready for the day when oil production declined and the prices started to fall.

That would have been seen as the smart thing to do, Mr. Speaker. That is what the people of the Province expected because that is what they were told, but they did not do that. This Province would not be facing a \$1 billion deficit this year if they had made the strategic investments in the past. That is the reason why today and this week, people will be cleaning out their desks in Confederation Building. People will be losing their jobs across this Province. People will be looking for jobs again outside of this Province, in other provinces like Alberta.

Mr. Speaker, like a spendthrift who wins a lottery, the party opposite did not spend wisely or carefully. They simply spent and spent and spent.

**AN HON. MEMBER:** On what?

**MR. BALL:** They spent on what? That is the question, Premier. They spent on lawsuits they could not win. They spent on public relations campaigns to pump themselves up in the polls; on a megaproject that has the potential, if not handled properly, could destroy this economy and leave us creditors and leave the next generation with creditors to come.

Mr. Speaker, I mentioned earlier that this party has reached its best before date. In fact, everywhere you go lately people are talking about change. They are looking for change. That is how people put it, Mr. Speaker. I sympathize with that view. In reality, this regime is lost and is in disarray. Still two-and-a-half years before this election, we have to be very careful in what we do. This is a turning point for our Province. It is a turning point for the people of Newfoundland and Labrador.

Mr. Speaker, two-and-a-half years is a lot of time, so we need to make sure we make the proper decisions today so that we can solidify this economy and our society in this great Province for years to come. That is why as Leader of the Opposition today, we and the members of our loyal Opposition have crafted a new game plan. One thing that you will hear of is a watch word for our Speech from the Throne is you need to be vigilant.

Mr. Speaker, in the face of a government that is out of control and incapable of managing the billions of dollars of taxpayers' money for which they have been entrusted, the role of the Opposition has never been more important. My commitment today, on behalf of the party I lead in this House, is to be vigilant in holding this government to account, and we will be equally vigilant in preparing for the period after the next election.

Mr. Speaker, since tomorrow is Budget day, and the Speech from the Throne just outlined government's vision and its plan for the coming year, we can reflect for a moment on this government's record when it comes to planning. I think we will all recognize that this government's record of forecasting is dismal.

Year after year they post unacceptable variances that leave a big sigh of relief when, by sheer luck, oil prices and currency levels work in their favour. Posting surpluses not because of good planning or sound management, but surpluses based on luck.

**SOME HON. MEMBERS:** Oh, oh!

**MR. BALL:** I would challenge anyone to look at those surpluses that have been posted. Mind you, both of these major influences are out of their control, in all fairness to the government opposite. You do not control currency levels; you do not control the global price of oil. They are completely dependent on a wide range of circumstances on which this government has no control.

That is why, Mr. Speaker, a more cautious and prudent approach to Budget forecasting – why would we gamble so much hope on the price of oil? Prices, in particular, that we are expecting prices to stay high; it will not always happen. Sometimes it works in our favour. Last year, it obviously did not. That is the reason why we are talking about billion dollar Budgets.

A more prudent approach would be to take greater care to manage the factors that we can control, such as the operating costs of government. That is the way the Budget needs to be tailored.

Mr. Speaker, I noted earlier that people of our Province are having trouble with the many contradictions from this government. One day they will say it is the best of times in Newfoundland and Labrador and then on the next day they are talking about fiscal restraint and austerity measures. People are confused when one day we are flush with cash and the next day we are belt tightening.

It has become obvious to everyone that this Premier and this government do not have a plan to be operating for the last couple of years – and one thing on their mind, the only thing on their mind in the last couple of years is one particular project, and of course, that is Muskrat Falls. It is ironic that after ten years in office government is finally seeing fit to develop – a what? A sustainability plan. After a decade in power, after years and years of a record of sometimes reckless spending, it is a stretch to hear in this House of Assembly that it is finally time to talk about a sustainability plan.

Mr. Speaker, each and every Budget should be and must be a sustainability plan. Each and every Budget should outline not only the short-term but the long-term goals of government. It should not only be affordable for one year and attainable for one year; it should be sustainable well into the future and for many years.

That the members of this government who have been operating for ten years without a plan and spending at an unsustainable level and now have the gall to call themselves good stewards of the public purse is ironic to the extreme. As I said, Mr. Speaker, this is a Premier and a government who walks in irony.

Mr. Speaker, the Premier's sustainability plan is coming ten years too late. The late conversion to planning shows how little this government has cared about charting a sustainable future for our Province. At the very least, this Premier should have made it a priority when she came to power. Three years later, it is too late to make up for the billions of dollars in deficits that are being forecasted.

Mr. Speaker, we do not know exactly what the deficit will be tomorrow. We expect, though, it will be something substantially less than \$1.6 billion that we have heard in the media reports lately. Given the revenues that this government has had over the last number of years, billions and billions of dollars from royalty money, why are we talking about deficits? There should be no deficit at all. The abysmal financial outlook that we will hear about tomorrow could have and should have been completely avoided.

So, to say to the Premier: Your so-called sustainable investment, your long-term growth, is long overdue. Mr. Speaker, government spending has been uncontrolled for ten years that they have been in power, with no thought for the future. Now that we have created an era of billion-dollar deficits, we finally see the acknowledgement, as I said, for a sustainability plan. This is just another example of this government's lack of fiscal policy and long-term vision.

Mr. Speaker, over the last few weeks many members on the government side have confused the difference between sustainability, investment, and just outright spending without a return. Sustainability is something that is supported long term. It involves considered and careful planning, with provisions made for drops in revenue and changes due to circumstances beyond our control.

That is not what we have gotten from this government. Instead, we have seen ad hoc decisions based on previous years' revenues. We have seen unjustified assumptions based on past oil prices and past production. We have seen a government that ignores its own internal forecast and projections in favour of unfettered spending and an unfounded belief that oil will always go up. Well, that is not the case, Mr. Speaker.

Due diligence was to simply look no further than the C-NLOPB Web site and check on the size of the diminishing offshore oil reserves. It simply did not make sense to increase spending at the rate that this government did.

Mr. Speaker, spending whatever you do to win elections and to puff up polls is not sound fiscal management; it is a recipe for financial ruin.

Mr. Speaker, it might not be so bad if this government was able to effectively budget, but that is not the case. Tomorrow, this government will bring down its tenth Budget, and one thing it has never been able to do is estimate surpluses and deficits anywhere close to being accurate. In eight Budgets from 2004 to 2011, we have seen variances in the \$6 billion range – \$6

billion in variances. That is \$6 billion, and that is reason enough to discredit the Budget process.

One area I believe government should focus on, really, is certainty: to bring certainty into the Budget process. Government's defence of its numbers is always saying: well, we cannot control the world price of oil; we do not control currency. That is the defence to these variances. Why not lessen the reliance on oil revenue from general budgeting, separate those volatile natural resource revenues and replace them with stable revenues, and construct a Budget on revenue that ties into your operating costs?

You need the certainty in those Budgets. Mr. Speaker, this would cushion the impact on any declines in oil production and prices. The Auditor General and several economists have been telling government this for years that we are indeed too dependent, putting all of our spending eggs into the basket of oil revenue. We all know that oil fields will run out and that market forces lower prices and lower demand. Does it not make sense to build your Budget on revenues that we all know we will always have and use a temporary source bonanza on oil money for a fund for future development?

Why not lessen – Mr. Speaker, we know that our future, based on the current trend that we are on today, if we continue to base it on the oil revenues and the oil prices that we have seen, we know that they will go down. There is a simple solution to give some security to the budgeting process, but this government has refused to adapt, instead taking the Province on a wild rollercoaster ride of deficits and surpluses vastly different from those at Budget, and recognizing that they have no control of some of the key components.

Mr. Speaker, we will know tomorrow what number the Premier and the government will use to benchmark for the oil pricing. The price will determine the oil royalty regime for the next fiscal year.

Last year, we all know and we all remember that the Budget was based on \$124.12 per barrel, but indeed we spent well into the range of \$134 per

barrel. Mr. Speaker, we never did reach the \$124 a barrel let alone the \$134 a barrel, far from it. As a result of the Premier's poor planning, the people of this Province are now facing a \$1 billion deficit for years to come.

In all fairness, Mr. Speaker, last year was a bit of a trap for this government. If you had moved off the \$124 a barrel of oil, which was part of the argument for your Muskrat Falls Project, the project – it would have put a hole into that campaign. Moving it to the \$124 for your budgeting, we recognize today, was a big mistake by this particular government.

If the Premier had conceded, as I said, that the oil may not keep going up in price, the advisors would have insisted that she would have had to admit that the case for Muskrat Falls was even more doubtful than it already is. It is getting worse for the Premier. In fact, Mr. Speaker, many economists and many people who are watching global oil prices today are suggesting that they could be significantly lower. Some are suggesting in the news last week they could be as low as \$55 a barrel over the next few years. Mr. Speaker, if you cannot budget at \$100 levels, can you imagine the shape they would be in at \$55 a barrel? It would be a disaster for our economy.

The bottom line, Mr. Speaker, is because of a weak global economy and the revolution in fracking technology, the price of oil over the next few years in all likelihood will be much lower than anything that this government will project tomorrow. That means the need for a realistic and sustainable plan for the Province has never been more critical. We need a plan that is realistic and based on sound investments – investments indeed. As people of this Province, we need to continue the investments into transportation, into hospitals, and into our schools. Long-term investments will serve the people's needs and enable commerce and business activity in this Province to grow and thrive. There are all kinds of investments that only government can undertake, and those are the ones we need to focus on.

We all know that medium and small businesses in our Province are the backbone of our economy. We need to invest and enable those businesses to continue to grow – but, has government done this? In some cases, they have. I say to the Premier, in some cases, you have made those investments; in other cases, you have not. Simply putting a number out there is not an investment. What you get in return is the investment.

There are many examples where they have made bad choices and until now they have been able to afford those bad choices simply because we have had significant oil royalty money, revenues that have been coming in, so the bad choices were not exposed – the windfall revenues to cover the mistakes of those bad choices.

Mr. Speaker, a few weeks ago, I was listening to a well-known businessperson. That person described their history and their philosophy around doing business in Newfoundland and Labrador. The idea is nothing new. It is very much a common-sense approach, it is so easy to duplicate, and I can tell you it never fails.

The person's advice was: Spend every dollar, spend every loonie, and spend it like it is your last. They went on to say: Make it once and make it count. For every dollar that this government has wasted, that is a dollar that you have not spent, that you do not have available for the good choices. So, I tell the Premier, make it once and make it count.

Bad choices; people ask: Well, what are some bad choices? A \$16,000 party to promote Muskrat Falls is a bad choice.

**SOME HON. MEMBERS:** Oh, oh!

**MR. BALL:** Bad choices, like the \$37,000 for a mail out campaign – and I wonder: How much will the mail out campaign cost this year? Will there be Budget propaganda going into every single mailbox this year?

Bad choices, like planning a \$160,000 for a party that did not happen to celebrate have status. Bad choices, like wasting \$400,000 on a

marketing campaign to push Muskrat Falls down the throats of people who were skeptical about the project.

Every one of those dollars spent on the propaganda and a PR campaign could have been dollars spent elsewhere – dollars spent on health care, the Coalition of Persons with Disabilities, dental care, RED Boards, and paying down the public debt.

The Premier always asks and members opposite – even in the last few minutes – are saying: Well, what would you cut? These are clear examples, I tell the Premier, of things that we would not do. These are clear examples of things that we would cut.

There is an old saying that says self-praise is no praise at all. For this government, there has never been enough self-praise to go around. Worse – this government's preoccupation with slapping itself on the back makes it incapable of admitting to a mistake. I tell members opposite that admitting to a mistake is not a sign of weakness. Indeed, it is a sign of strength.

Just last week, when questioned about the \$400,000 campaign that was spent to promote Muskrat Falls, the Premier's response was what? The Premier responded by saying: Well, the Opposition kept the House open. That costs us \$100,000. The House was kept open. We were discussing two bills, as the Premier knows. One: about giving Nalcor and Emera the right to expropriate land from hard-working Newfoundlanders and Labradorians. That was not worth the discussion, I ask the members opposite? Or, what about the right to question a fifty-year power purchase agreement that will commit this and the next generation of Newfoundlanders and Labradorians to power – some of it we will never use, as ratepayers in this Province.

Mr. Speaker, I make no apology for doing our job and asking the tough questions on Muskrat Falls. Giving this project a full debate could save the people of this Province billions of dollars that they would regret later. We all know, Mr. Speaker, that the last thing this

Premier wants is a full examination of the Muskrat Falls Project, because a full debate would expose the poor planning that has gone into this project.

Poor planning is indeed the hallmark of this government. You do not have to look very far to find examples. The member opposite, today, in introducing the motion, mentioned one of those, and that was the Hebron Project, which reminds us of exactly what happened. When it was first announced, the Hebron Project was going to help our young, emerging workforce gain what? It was going to help our young, emerging workforce gain experience and increase the knowledge that they need to be able to compete on oil projects worldwide.

This, it was said, would enable us to become more competitive – where? On the world stage. So what happened? Early on, it was realized that we needed a human resources plan to prepare our workers to meet this challenge. While, we all know that Hebron was coming, this government did nothing to prepare our workforce. In fact, the Premier had years to plan for the project, but did nothing, leaving our Province unprepared for the work.

So, what happened? The upshot was that the oil companies decided they did not have the capacity to do it here in Newfoundland and Labrador, and part of the project will be constructed elsewhere.

**PREMIER DUNDERDALE:** (Inaudible) we got \$150 million from it because of (inaudible).

**MR. BALL:** You got \$150 million for the third module to be constructed outside the Province. Can you tell me how our emerging workforce will gain any experience from that?

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order, please!

**MR. BALL:** Meanwhile, we all know that this project has almost doubled in price. We settled for \$150 million. The project has doubled in price, and the third module will be built outside



of the Province. I tell the Premier, this is not planning. You had ample time to do this, years and years to prepare for Hebron.

Mr. Speaker, there are other examples, too, and I would be remiss if I did not mention one in this particular Province. That is the \$11 million that was allocated for the pellet plant in Roddickton. In this year's AG's report, it was noted that officials in the Department of Natural Resources had significant concerns about the viability of this project. Markets for the pellets were not clearly identified nor was there a port facility to move the pellets to market. Yet, the Premier ignored the officials and handed over the \$11 million of taxpayers' money.

Where is the facility today? Maybe the members opposite can answer that question. Where is the facility today? It is closed down, Mr. Speaker.

Mr. Speaker, the people of the Great Northern Peninsula had high expectations and were looking forward to the success of the pellet plant. They all felt it was instrumental in turning around the forestry industry in this area. It was a glimmer of hope for this depressed industry. Who would have guessed that the basic due diligence was not completed on this project?

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

**MR. BALL:** Mr. Speaker, I tell the member opposite there is nothing wrong with taking chances. We realize there are significant risks, but there is basic due diligence before \$11 million in cheques are written.

Mr. Speaker, the Premier's irresponsible handling of the pellet plant is really a speck when you compare it to the mishandling of the Muskrat Falls Project. It is ironic to see this government so concerned with pushing this megaproject forward.

I would like to quote a former Premier in a State of the Province Address on January 5, 2004. The quote went like this, "We also intend to diversify our economy away from the mega-

projects into sectors that have longer reaching impacts for all areas of the province, and our rural communities in particular." That was 2004, Mr. Speaker. What do we find our government focused on today? Muskrat Falls, another megaproject.

Mr. Speaker, the Premier and this government has lost their way. The Premier is so focused on selling her Muskrat Falls Project that she is willing to slash and burn the rest of Newfoundland to see this through. She is willing to cut funding on the most vulnerable groups, the Coalition of Persons with Disabilities, for instance. It all comes down to priorities, and unfortunately this Premier only has one priority.

Mr. Speaker, the Premier's obsession with this project has amplified the government's worst traits. Construction is now in full swing with millions of dollars being spent, millions of dollars being spent on this project, and how do we find out where a nickel is going?

Just recently, Mr. Speaker, we have heard concerns about slope stability in the North Spur area. Nalcor is obviously concerned because they are doing further field work. They are doing further field work that would be done this spring. Why that work was not done in the beginning is beyond anybody's imagination. If you know stability for the North Spur is a problem, why would you not do that basic investigation in the beginning?

The instability of the North Spur could compromise the whole project, even threaten communities down stream; yet, government went ahead and sanctioned the project without this work being done. The Joint Review Panel questioned it, Natural Resources Canada questioned, people who were used to this area, people who travelled this area noticed it; yet, in the analysis they finally advanced this project through with the commitment to sanction this project without this investigation.

Mr. Speaker, the impact on the financial integrity of this project is significant. It could lead to massive cost overruns. Who pays for

those massive cost overruns, I ask you, Mr. Speaker? Indeed, it is the ratepayers, the taxpayers, and the next generation of this Province. I cannot help but note that if our Public Utilities Board had been given the opportunity to fulfill its mandate and examine this project in full, issues like the North Spur would no doubt have received proper examination.

Mr. Speaker, it remains a concern, I would say, to everyone in the Province, that the Premier refused to keep the promise and give this project the full test through the PUB.

You cannot help but notice that it has been quite different when you go to Nova Scotia. Emera, on the other hand, is going through an exhaustive review through their version of the Public Utilities Board, yet we went ahead and committed hundreds of millions of dollars to this project still not knowing if Emera will be a partner or not.

There are still so many outstanding issues. Even today, why the transmission line in Labrador, from Churchill Falls to Labrador West, was not a part of this project leaves many people still answering questions about Muskrat Falls.

The Premier, I say, is like the young fellow who goes ahead and books a band, he books a wedding hall, but yet he has not asked the bride. I cannot help but say: do we know today if Emera will leave Nalcor, in this particular case, standing at the altar I say, Mr. Speaker? Meanwhile, despite all this government's promises to the contrary, the people of this Province are being asked to put all their money and hopes once again into a megaproject that offers short-term jobs. Where is the real diversification of the economy?

Mr. Speaker, the observed spending commitments from this Premier and this government have taken the Muskrat Falls Project on the backs of taxpayers and ratepayers in this Province. These are the same taxpayers who now find themselves looking for work as a result of the recent government's inability to manage funds and to manage the fiscal affairs of

this Province. As I mentioned earlier, the failure of this government to properly budget for future stability of Newfoundlanders and Labradorians is why we are currently facing hundreds of layoffs today.

We have heard the dire prediction just days after sanctioning Muskrat Falls from the former Minister of Finance that the deficit was going to be much higher than they had projected. Then just days after that, the new Minister of Finance said that the forecasted deficits could be as high as \$1.6 billion this year and \$1.6 billion next year. As a matter of fact, he even talked about \$4 billion in a three-year project.

Mr. Speaker, it took this Province nearly fifty years to get to \$9 billion in debt, and we are talking about \$4 billion in three years. The \$9 billion over fifty years, these were tough, tough economic times. We did not have the luxury of the billion-dollar oil royalties, and now this government is creating a \$4 billion deficit in just over three years.

**AN HON. MEMBER:** No, we are not.

**MR. BALL:** Mr. Speaker, I just do not believe the numbers. The member opposite said: no, we are not. He must have seen the Budget already for tomorrow. We have not seen it yet. I can tell you, the \$1.6 billion, I do not believe those numbers either. I say to the member opposite, I do not believe they will be at \$1.6 billion, because they have never been right when you look at the forecasting of this particular government. As a matter of fact, even the Premier herself just a few weeks ago did not realize that they had forecasted a \$44 million surplus in the year 2014-2015. Mr. Speaker, it is time to keep your hand steady on the wheel.

At the same time the dire deficit projections were leaked to the media, the Premier was out warning of layoffs in the civil service. She spoke of large staffing levels within the Department of Education and Health and Community Services. This Premier said that both departments were overstaffed and that cuts needed to come in this year's Budget, where 70 per cent of the money paid goes to where – it

goes to salaries to front-line workers. Yet again, back in April 2012, just one year ago – less than a year ago – the same Premier committed and promised that the people of Newfoundland and Labrador, that front-line workers, programs, and services in education and health would be exempt from such cuts.

Mr. Speaker, what a difference a year makes. What happened in the last year that we did not see was coming? What happened that we did not already know? Nothing happened; not one thing has changed. We were aware of the warnings about changing oil prices. We were aware of the status of our oil reserves. The question is: why was this government not paying attention?

Even the economist Wade Locke, who you have now recently hired to come in and help clear up some of this mess, warned this government of the financial crisis that was pending if you did not change course. Mr. Speaker, Mr. Locke himself, who is in that office right now, made those comments.

We already know that 167 people have already received their pink slips. We already know there were 250 people who are employed with the Employment Assistance Services sites across the Province. We know they will be out of work in a few weeks. We already know there have been 400 civil servants within government who are told that if you plan to retire, now is when you should do it.

The Premier says wait until Budget day. That is when it will all happen. That is when the story will be told. Well, believe you me, Mr. Speaker, we will be watching and we will be asking questions. Civil servants and their families have been waiting to see what their livelihoods would be for the upcoming year. They have been waiting nervously to see which positions and which services would be slashed in tomorrow's Budget.

We already have seen divisions practically wiped out. For instance, the Wildlife Division on the West Coast of Newfoundland, we have seen fifteen positions gone from that office

already. Remember, Mr. Speaker, when we were told this would be temporary, or people who were hired on contracts? Well, there are people who have been laid off at the Wildlife Division who have been there for over ten years. Is it really fair to think that those people are part-time or they are temporary employees? Ten years, and now they are out the door.

Now, Mr. Speaker, that is not the case for everybody. We have already seen this government determine which jobs are absolutely necessary and which are not, a government which has grown its civil service by thousands of people since 2003. The Premier in the last twelve months has made over sixty senior civil service appointments, appointing close friends and people with ties to the PC Party in roles as deputy ministers, receiving six-figure salaries, people who have helped them get re-elected in campaigns. In some cases, the Premier has made as many as five senior appointments in one month.

Mr. Speaker, these are not all replacement positions. This government has created offices like the Population Growth Strategy, and the Office of Public Engagement, giving them bureaucratic names. They have even duplicated the role of some deputy ministers in certain departments. Mr. Speaker, offering incentives and bonuses is a good way to motivate and encourage employees in the private sector, but using the government largesse to reward political friends at a time when government is laying off civil servants is just plain hypocrisy.

Now, Mr. Speaker, this brings me to Bill 29. I know government does not want to talk about Bill 29, even though it is one of the most important pieces of legislation this government has ever passed, having spent years working on it before they finally had the nerve to bring it forward. It is the one piece of legislation that defines this government, Bill 29. If there is one piece that defines the government, it is Bill 29. It is this government's penchant for secrecy and heavy-handedness, they put it into law.

This Premier does not like to talk about it, does not like to talk about it at all, because she knows

how people in Newfoundland and Labrador actually feel about Bill 29. They see it for what it is. It is an attack on democracy. It is one of the cheap reasons why people in this Province are looking forward to the next election day. It is a piece of legislation that is referred to as regressive legislation. They know the Premier deliberately decided to make her government the most closed and secretive in Canada.

The irony is that every step along the way, we heard what? We heard that we are the most open and we are the most accountable.

**PREMIER DUNDERDALE:** That's true.

**MR. BALL:** Bill 29 does not suggest that at all, Mr. Speaker.

Of course, it is not only the Official Opposition and Opposition members saying that Bill 29 has been a problem. People in the media have recognized it right away. They have published story after story about how government hides information, very basic information from the people who employ them. Who employs us, I ask, Mr. Speaker? It is the taxpayers. It is the citizens of this Province.

Now, recently we have seen published stories in how government has handled the Orders in Council. Orders in Council are the official record of Cabinet decisions. Just about every jurisdiction across Canada makes their orders public. In most cases you can just go online and download the information from the Internet.

In this Province, Bill 29 makes that illegal. It makes it illegal for government to release the Orders in Council. That is because Bill 29 makes it illegal to release documents which refer to decisions of Cabinet. In effect, Bill 29 gives Cabinet the secrecy and the power of a star chamber where decisions are made affecting you, but you are not allowed to know about them. It is a step backwards in time, I say, Mr. Speaker.

Mr. Speaker, this is a closed, unaccountable, secretive government that goes out of its way to hide basic information; information that should

be readily available to the people who own it, to the people they serve. The heavy black ink – we have seen those I think – of redacted documents stands as a shameful badge for this Administration. Mr. Speaker, it is time to repeal Bill 29 and open up government so that the people who create it, the people we serve can actually see what is going on within the Government of Newfoundland and Labrador.

Mr. Speaker, recently the Privacy Commissioner released a report outlining a roller coaster ride that he and the citizens seeking information from this government endured for four years. The ride entailed two levels of court and the passage of legislative amendment. The case began because the Department of Justice unilaterally and arbitrarily considered documents in the hands of a lawyer to have status of solicitor-client privilege. Government tried to create a loophole where it could send any file to a lawyer and then claim solicitor-client privilege in each and every case, thus denying access to those files indefinitely.

For four years, the Department of Justice dragged its feet and took every single opportunity to delay the document release. Of all departments, I say, Mr. Speaker, the Department of Justice has abused its powers to prevent the access to information. This is the department responsible for ensuring all citizens have timely and equal access to information. They knew the law, they broke the law, and they bent it at every turn. Like I said, Mr. Speaker, this is a government that defines irony.

Speaking again of irony, Mr. Speaker, it was this Premier, as a minister shortly after the election in 2003, who introduced the Rural Secretariat and promised a renewed commitment to revitalizing the economy of the rural parts of our Province. In the ten years since, we have seen this government turn a blind eye to the needs of the potential of rural Newfoundland and Labrador.

They ordered a derailed study of the woes facing our fishery and they promptly disowned it. They have cut funding to the Province's twenty Regional Economic Development Boards,

forcing them to shutter and throw away the decades of achievement.

Mr. Speaker, just a few weeks ago I walked into a development office and there was an executive director who was actually sitting at a shredding machine, shredding the documents that were used – that they had put together for years and years of work that was crucial to development of rural Newfoundland.

Most recently, this government chopped funding to those services and to those sites. This has meant, as we already know, the loss of 250 jobs. More importantly, it also means a loss of services to people in rural areas who need training and special assistance to find work. Mr. Speaker, this government's treatment of rural areas is leading some people to wonder if we are pursuing a resettlement policy, one involving a quiet death by 1,000 cuts.

Mr. Speaker, I would be remiss if I did not bring up one major event in the past year. I raise it because it is a good illustration of this government's failure to plan, and the cost of this failure. We all remember the government's botched expropriation of the Abitibi Consolidated assets in Central Newfoundland. I know members do not want to talk about this and they certainly do not want to hear about it.

At the time, acting partly on the advice of Nalcor, the current Premier, who was then the Minister of Natural Resources, was the point person on the file. She argued at the time that the Province had to seize the assets of the multi-international paper company right away because it was about to bankrupt. The government was afraid the Province would lose the assets.

To make a long story short, Mr. Speaker, in a rush to expropriate the Abitibi assets, the then minister accidentally expropriated the paper mill itself, leaving the government liable for an environmental cleanup that will cost hundreds of millions of dollars. At first, there was denial. At first, it did not happen, but we all know now this did happen and the current Premier was a part of this file as well as members with government.

Now, they would like to say that all parties agreed to this. That has been the response we have heard. I can tell you now, speaking to people who were party to this conversation, the mill was not part of that and the Premier and her government know that. Three court cases, multimillion dollars in legal fees and court fees, and the Premier still does not want to admit that this was a mistake. I raise this matter now, Mr. Speaker, as an example of this government's failure to do its homework and as a warning to the Premier of the pitfalls we could see facing us in Muskrat Falls. I say to the Premier, remember, admitting to a mistake is not a sign of weakness.

Mr. Speaker, before I conclude, I would like to leave the Premier with some suggestions about rightsizing government, which has been a favourite subject for the Premier and government of late. It is evident that when the Premier talks about streamlining or rightsizing she does not mean within her own caucus or even within her own office. Instead of streamlining, it only seems to apply to whom? The front-line workers in this Province. To whom? People who use programs and services, the people of Newfoundland and Labrador.

We have seen this government slash even funding for people who are disadvantaged in some cases, I say, Mr. Speaker. We have grants and funding for the Coalition of Persons with Disabilities, for women's groups like Women Interested in Successful Employment's; funding has been cut, and the list can go on and on.

These are groups that are doing good work, advocating for minorities and the disabled in some cases. The Premier, however, feels this work is not as valuable, not valuable enough to continue to keep the line of funding in place. They need this money to survive.

However, we are still very top heavy in administration of this government. We still have too many departments, and, Mr. Speaker, I have been on record as saying that forty-eight elected representatives in this House of Assembly – all of us collectively, all three parties – really need to take a look at this. Can we do it differently?

Forty-eight members in this environment today is too many members. I have been on record as saying that we could do with forty. Let us tailor the needs of the districts in this Province and let us see if this House of Assembly – I believe it should be able to operate with fewer members, Mr. Speaker.

Mr. Speaker, in closing, let me say today's Speech from the Throne has given the people of Newfoundland and Labrador a lot to think about. Tomorrow's Budget will make people wonder just how this government managed to squander the most prosperous time in the history of our Province. I will refer to this as a decade of lost opportunity, a chance not taken to diversify our economy and to build a sustainable future.

Mr. Speaker, I have noted several times today that this Premier and this government are steeped in irony. The ultimate irony, though, is that this government has spent millions of dollars and thousands of person hours massaging a PR image and manipulating public opinion. It is now incapable of communicating without sending mixed messages: we are rich, we are investing in the future; today we have to cut back, today we have to tighten our belts. I expect to hear a lot more about that tomorrow.

Mr. Speaker, this government cannot get its message straight. After a decade of using the public purse to finance high approval ratings and spending millions on marketing, spin doctors, and talking points, nobody believes this government anymore. While the party across the way prepares for its spin tomorrow, we spin our way through government, through this current Budget crisis.

Let me show the people of our great Province that we, as the Official Opposition, indeed are watching. We are watching, Mr. Speaker, and we will hold this Premier and her colleagues accountable for every cent and every broken promise.

Mr. Speaker, I will conclude my response to the Throne Speech with the words of one Peter Drucker. He went on to say: "The greatest

danger in times of turbulence is not the turbulence; it is to act with yesterday's logic."

Mr. Speaker, if we have learned anything from this Administration, it is that the logic of this Premier and this government just does not work.

Thank you, Mr. Speaker.

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

**MR. SPEAKER:** The hon. the Leader of the Third Party.

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

**MS MICHAEL:** Thank you, Mr. Speaker.

I am wondering if I could have something on which to rest my paper, please.

And I thank my hon. colleague for helping me. Thank you very much.

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

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

**MS MICHAEL:** Thank you, Mr. Speaker.

It is an honour to stand here this afternoon and to have the opportunity to reply to the Speech from the Throne. Before getting into that, I do want to recognize, as has already been recognized in the House, the presence for the first time of our new Lieutenant Governor, the hon. Frank Fagan, and his wife, the hon. Ms Fagan. It was a real pleasure to have him here with us, to take part for the first time in the proceedings of this House. I look forward to the many times in the future that he will continue to be with us over the next five years.

I too want to thank the outgoing Lieutenant Governor, Mr. Crosbie, and his wife, for the service that they offered to us in the five years that they were in the position. It was always an enjoyment to have him in the House with us as well.

The Speech from the Throne is a very important document, as we all know, and it is something that we cannot take lightly, because it is the document that is supposed to be the framework of a government during a session of the House. I point that out, that it is for a session of our sitting; we are in the 47th Assembly, and this Speech from the Throne is the framework for the next session.

I have to say that I find this Speech from the Throne interesting, because one would think that this government had not been in place for ten years. Some of the things that they have outlined and that were read to us by the Lieutenant Governor are things that one would have expected from a new government, not one that has a ten-year record that had started, as the Throne Speech likes to point out, at a time in our history when we did not have the resources that we have today and we did not have the revenues that we have today; at a time when we had a debt, as was pointed out in the Speech from the Throne, a heavy debt, at a time when we did not have a lot of services that people need in this Province, Mr. Speaker, and they talk as if all of that is over.

Well, I would like to point out to this government that the debt that they were talking about ten years ago, if we believe their own papers and their own documents and what they presented in the pre-Budget consultations, the debt that is now below \$9 billion is supposed to be going up to \$12 billion within the next few years. That is from their documentation. What has changed in the ten years, Mr. Speaker?

We have a government that right now has brought us into what they are calling a fiscal crisis and causing us to now have cuts to the public service sector; something that happened, Mr. Speaker, before ten years ago. Something that happened at a time when we did not have the revenues that we had when the public service sector was cut down to bare bones, and they recognized that it was bare bones.

They were the ones who started increasing the public sector as a government because of the fact that we could not deliver services properly

in this Province because we did not have enough people in the public sector. Now they are saying that the only way to move ahead fiscally is to cut back the public service sector, which they said, in the past ten years, had to be increased in order to bring services to the people.

I find it very interesting that they talked about where things were in 2003, when they came in, and except for the wonderful revenues that we have, which are being spent somewhere else, except for that, all of a sudden ten years later we are exactly where we were going to be in 2003: debt, bigger than it is now; a public service sector that is being cut to the bone; and services being cut back in this Province. What has happened in the last ten years?

Yet, this is a government that is putting billions of dollars into a major project that we are told wait for twenty years because you are going to see the benefit. This is a government that in this speech today had the gall to say that we cannot have debts that are going to be carried on the shoulders of our children into the future. That is exactly what they say, Mr. Speaker. They say in their Speech from the Throne that was read by the Lieutenant Governor that unpaid debt leaves our children a burden that crushes their opportunities. We cannot borrow for our day-to-day spending and send the bill to our children down the line. Newfoundlanders and Labradorians understand this. This government is putting billions of dollars of the people's money into Muskrat Falls and that is a debt that our children are going to be carrying down the line.

They are speaking from two sides of their faces, Mr. Speaker. They are double speaking. I cannot believe they had the gall to put that into the speech today at a time when they know they are going to have to borrow in order to pay the cash equity into Muskrat Falls that still has to be paid.

Mr. Speaker, what is going to happen when we have the cost overruns? There are going to be cost overruns. The evidence is already there, Mr. Speaker, that there are going to be cost overruns. Where is that debt going to be paid?

There will be more cash equity that will have to be put in and that will be on the shoulders of our children.

Mr. Speaker, today, to listen to them through their Speech from the Throne, to listen to what they have to say, I cannot believe that they could stand here and sit here as we speak today and even think that people are going to believe what they have written. We are no further ahead listening to them than where we were in 2003. Yet, at the same time, they tell us we have more money than we have ever had before; we have a strong economy et cetera, et cetera. They do not know what they are talking about.

Why is it they expect the people of the Province, they expect the public servants who work in this government to suffer, while at the same time they are telling all of us we have so much money, things are better than they have ever been in the past. Yet, the debt is going to be gone up to the debt it was ten years ago, in a few years' time. It is in their papers. I am not making this up; it is in their document. The public service sector is going to be down to bare bones again and services in this Province are already being cut. Mr. Speaker, they better listen to what they are saying.

On the other hand, they are talking about things that we have been talking about as a party in this House. I like the way in which they are using our language of sustainability. We are going to get a sustainability plan. Mr. Speaker, I say to the Premier and I say to her government, I think it would be really good if they went into our Web site and read our document on sustainability that we wrote five years ago putting our plan in place.

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

**MS MICHAEL:** Every platform that we have had since writing that –

**SOME HON. MEMBERS:** Oh, oh!

**MR. SPEAKER:** Order, please!

**MS MICHAEL:** It is a document the leader of the party has been based on, our sustainability document. If they are going to get into sustainability, I invite them to read the document on which we have set our platforms over the last five years, Mr. Speaker. That is one thing I invite them to do.

Another thing, Mr. Speaker, when you talk about where does their gall come from, I have to speak to the issue of the Premier saying that this government is the most open and most transparent government that we have ever had here in Newfoundland and Labrador. After what they did last spring, Mr. Speaker, with Bill 29, after experts around the world – not just in our country, but around the world – spoke to how backward-stepping Bill 29 was, that we cannot get our hands on anything that might in any way relate to any kind of advice to the government, we cannot get a document without fighting for it, and they talk about openness and transparency.

Do they think the people in the Province are not listening? Do they think people are stupid in this Province? Well, they are not. They are listening. Do they think, I ask, Mr. Speaker? I know the people in the Province are not stupid because the people in the Province are telling us what they are seeing with this government. They see Bill 29 for what it is. The people in this Province have spoken out. They have been on the Open Lines. They have written letters to the editors of our newspapers. They speak to each other and to every other politician in this Province. They know Bill 29 was a backwards step and they know that it does not show this government is open and transparent.

I would like to speak directly to some things that are in the Speech from the Throne, some more things, Mr. Speaker. Yes, I am really glad to see that they are talking about dealing with the issue of anti-bullying. I am really glad to see that they are actually going to make changes, apparently, to legislation on anti-bullying.

Well, I find it very interesting, Mr. Speaker, that last spring when we had a private member's motion brought to this floor, brought to this House by the Member for St. John's North, that



government voted against the private member's motion on anti-bullying. They did not vote to have legislation on anti-bullying. I find it fascinating that now they are going to. I am glad. They should be doing it. I am really glad. They should be doing it, but acknowledge that they voted against a private member's motion on this floor asking for legislation. I want them to acknowledge that. They will not, of course. They will not do that.

The other thing, Mr. Speaker, is the reference to 911. I think it is on page 14 of the Speech. I am delighted to have 911 in the Speech; however, it says we are going to see advances over the next two years. Well, I have been six years in this House being told that. I have been here for six years being told: hang on, we are going to do studies, we are going to figure out what maybe should be tendered, and then we are going to ask for tenders. Now we are being told there are going to be more advances over two years.

They are not saying it is going to be in place. They are not saying that in two years time we are going to have enhanced 911 in this Province. We are going to have more advances; well, I really will be looking tomorrow in the Budget, Mr. Speaker, to find out what money is going to be in there for those advances, because if there is no money in there then I am not expecting any advances.

I want to see tomorrow in the Budget how much of this is words only, because, Mr. Speaker, that is what I feel it is. This government uses the term sustainability; well, they have not shown me that they understand sustainability. They use the word diversification and they call another megaproject diversification of our economy. That is not diversification. Once again, I invite them to go to our sustainability document, which they will find on our Web site, and see really good definitions of sustainability and diversification, what it means, and a plan that can work. I invite them to do that, Mr. Speaker.

In the Speech from the Throne, Mr. Speaker, they also talk about amendments to the Atlantic Accord. I have to say as one person who has been standing in this House, and the Leader of a

Party who has been standing in this House asking for the government to take action with regard to occupational health and safety in the offshore; and to listen to the recommendation that Judge Wells made with regard to another agency, an offshore agency, to deal specifically with occupational health and safety; I will be wanting to see if the legislative changes that they are talking about are going to be talking about another agency. I would like to know, and I guess I might find out tomorrow. If I do not, I will be asking: what do they mean by an offshore occupational health and safety regime? Does a regime mean having another agency dealing with it, as was recommended by Judge Wells? I guess we are going to have to find out.

Regime is a very curious word and I think it is a word that can have all kinds of meanings. Of course, it would not be unusual for the government to use words that have all kinds of meanings. You have to try and figure which meaning it is that they are talking about.

I am hoping that the legislation that is going to come forward is going to be clear in showing us that they really do believe in having the second agency along with the C-NLOPB, and that second agency is what they are talking about when they are talking about a regime, Mr. Speaker. I guess we are going to have to wait and see, won't we?

Another thing that I found curious in the Speech from the Throne is the reference to NLHC hiring a national consultant to help them come to an understanding of homelessness. Mr. Speaker, the issue of homelessness and housing has been high on the agenda in this House and in this Province for the six years that I have been here in this House, and it certainly has been over the last couple of years for us. Our critic on housing and homelessness has been vocal. She has been asking questions. It has been constant here on the floor of the House, Mr. Speaker.

Now they are talking about hiring a national consultant. We have a Newfoundland and Labrador Housing and Homelessness Network. That network put together a fantastic framework in 2010 on housing and homelessness. We have

experts in this Province, Mr. Speaker, when it comes to homelessness and housing. The only thing I can say to this government, either they do not recognize the expertise of the people in this Province who have been speaking out on this issue, or they are hiring somebody who they believe can work with those people. That is what I am going to be looking to see. What does hiring a national consultant mean to help them understand homelessness?

I have been in many parts of the Province; some of them have been with the Member for St. John's Centre, who is our critic on housing and homelessness. I have sat and met with people all over the Province of Newfoundland and Labrador, rural areas, urban areas, and if Newfoundland and Labrador Housing Corporation does not understand yet what homelessness means, if it does not know yet the depth of homelessness in this Province, then they must not be sitting and talking to the people that I am sitting and speaking with, and our critic is sitting and speaking with, because believe me, Mr. Speaker, they know what homelessness is.

They know what the situation is in this Province and they have solutions, but we do not see this government listening to them and acting with them, Mr. Speaker. Now they are hiring a national consultant – very, very interesting.

Mr. Speaker, there are so many things to speak to, and I only have about three minutes left. I cannot speak to everything that I would like to speak to in this Speech from the Throne; however, I will be looking to the Budget for two or three areas that were mentioned.

We hear about the 10-Year Child Care Strategy. What does that mean? Because we know when this government talks about strategy, they do not mean a plan for sure. I notice they are not talking about a plan. They are talking about a strategy. Is there going to be a plan to go with that strategy? Are we going to know goals that go with that strategy? Are we going to have a timeline to go with that strategy? Are we going to know the money that is going to go into it?

Is it going to be a comprehensive child care plan that is administered by the government, Mr. Speaker, and makes child care accessible to everybody in this Province? That is what I want to know. We have to wait and find out, I know. What hope do I have? They talk strategy all the time and they deliver nothing. That is what I am concerned about with this Speech from the Throne.

Another thing in the speech, Mr. Speaker, which I really found more than curious, is the fact that they could talk about the whole issue of employment, and the role of the AES. The new structure they are going to create, the seamless structure they are going to create for people who need employment. Mr. Speaker, all they are doing – that is what happened in the federal Budget last week – in the Speech from the Throne is using new language to define what exists now; a system where they have gotten rid of the community-based offices that really help people on the ground learn how to use the system.

Mr. Speaker, I look forward to the Budget. I look forward to finding out what this government really means with the things that have been outlined to us in this Speech from the Throne. I will be watching closely as things unfold in this House. I will be speaking to the issues. So many more issues that I could speak to that arose from this speech today. The government can be assured, Mr. Speaker, they will know what the issues are as time goes on.

Thank you very much.

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

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

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

**PREMIER DUNDERDALE:** Thank you, Mr. Speaker.

I would like to begin as well by welcoming Newfoundland and Labrador's thirteenth Lieutenant-Governor, and thanking him for his address today. As I said after his swearing-in

ceremony, I believe His Honour to be a man of great humility, who along with Her Honour will reach out to the people of our Province.

On behalf of the people of Newfoundland and Labrador, let me once again express my thanks to Their Honours, Mr. John Crosbie and Mrs. Jane Furneaux-Crosbie for their service over the past five years, and their dedication to the people of Newfoundland and Labrador.

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

**PREMIER DUNDERDALE:** It is truly an honour, Mr. Speaker, to rise in this House and to have an opportunity to speak to the people of Newfoundland and Labrador, those who are visiting us today in the gallery and those watching at home, and to speak to you of the tremendous progress our government has made to bring this Province to where it is today, and where we need to lead our Province in the future.

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

**PREMIER DUNDERDALE:** Mr. Speaker, we have just been treated to another hour-and-a-half of spin, spin, spin from the other side. It is something we have been subjected to in this House for quite some time.

Mr. Speaker, you heard it here today from the Leader of the Opposition, and you heard it from the Leader of the Third Party, the NDP. Not one constructive suggestion, Mr. Speaker – not one. No plan, no vision, no hope, Mr. Speaker, just cliché and worn-out rhetoric – nasty, I might say, nasty and negative; hallmarks of both parties opposite. Bankrupt of ideas, Mr. Speaker, they have nothing to offer to the people of this Province except criticism – nothing to offer. No vision, no plan, no hope.

Mr. Speaker, I am not going to dwell on their negativity and name calling. I believe in the people of this Province. I am focused on securing a future for our children and our grandchildren.

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

**PREMIER DUNDERDALE:** Mr. Speaker, the facts speak for themselves. More people are working in our Province than at any other time in our history – fact.

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

**PREMIER DUNDERDALE:** Mr. Speaker, there are tens of thousands of more jobs on the horizon thanks to the vision and leadership of this government, that ensured important projects like Muskrat Falls – and yes, we do take full credit for Muskrat Falls.

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

**PREMIER DUNDERDALE:** Mr. Speaker, in the same way that we take full credit for Hebron, Hibernia Southern Extension, and White Rose Extension as well. Unlike others in this House, Mr. Speaker, we know the importance of these projects to secure a future for our children and our grandchildren, and we will continue to develop our resources so that Newfoundlanders and Labradorians all over this Province share the benefits of these developments.

Mr. Speaker, the facts are that ten years ago Newfoundlanders and Labradorians were facing a much different reality, a different reality after fourteen years of Liberal government. A government where they said they negotiated all of these wonderful projects, Mr. Speaker.

Well, what did they do with the money? They ran deficits year after year after year. That reality that Newfoundlanders and Labradorians lived in ten years ago included high taxes, the highest per-capita net debt in the country, deteriorating capital infrastructure.

When we came to government, for the first number of years, almost on a weekly basis, we had schools close because of mould. Youngsters ferried all over communities and from one community to the next because the buildings they were in were not fit for them to sit in, because nothing had been done for them for fourteen years, Mr. Speaker. Our people were moving away, and perhaps most concerning, the sense that we were poor cousins to other

provinces in Canada. Mr. Speaker, we are not going back there.

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

**PREMIER DUNDERDALE:** We are going to build and secure our Province's future so that the next generation of Newfoundlanders and Labradorians will have the same opportunities that we have now.

Make no mistake, Mr. Speaker, we are facing a critical juncture in Newfoundland and Labrador. We have an important decision to make: to go backward where the other two parties would have us go, or to move forward. My government will operate with sound fiscal management, executing our plan to ensure the Province continues to thrive and prosper.

The Bank of Nova Scotia is not wrong. Mark Carney, President of the Bank of Canada, is not wrong. Our bond rating agencies are not wrong when they talk about the fiscal management of this Province for the last ten years.

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

**PREMIER DUNDERDALE:** I do not know who their experts are, Mr. Speaker, but our experts are world renowned and they say this Province has been well managed.

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

**PREMIER DUNDERDALE:** Mr. Speaker, despite exhortations to do so on a daily basis from the Opposition, we will not slip back into the tax-and-spend ways of our past. My government has a plan to get us past the challenges that face us on the horizon and sustain us into the future. To do nothing is not an option. Our people expect more.

To be clear, Mr. Speaker, when you start a process that looks at providing services more efficiently and reduces redundancy, you have to make difficult decisions. These decisions impact the public service, but they are necessary to protect the core services that Newfoundlanders and Labradorians have told us

that they want. Sustainable spending is critical to maintaining the high quality of services and programs our citizens depend upon. We have heard from Newfoundlanders and Labradorians and we know they expect us to protect our services in health care and education.

Put plainly, our public sector spending is larger than we can sustain. The Province's public sector spending per capita is the highest of any province in Canada. We knew that in order to sustain our investments and continue to provide critical programs and services to the people of the Province we needed to bring our public sector spending in line. We did this through a measured and comprehensive process that included a core mandate review of each department. Ministers did a thorough analysis of what was being spent and how we could do that more efficiently through innovation and streamlining, with a view to improving the service, Mr. Speaker.

Another challenge that faces us is that our primary source of new revenue is oil. Oil is non-renewable and experts have difficulty predicting price fluctuations on the world market, although our two Leaders of the Opposition seem to have mastered that talent, Mr. Speaker. I ask them both, I challenge them both: put your money where your mouth is. Tell us what the price of oil is going to be for the next year.

We cannot continue to rely solely on this unpredictable resource, Mr. Speaker. That is why this government developed a comprehensive energy plan. A pillar of that plan is developing the renewable energy resources at Muskrat Falls. Muskrat Falls will diversify and stimulate our economy, creating new jobs and economic security for our children. We are very proud of the work we have done on this issue.

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

**PREMIER DUNDERDALE:** Mr. Speaker, I am disappointed that some in this House continue to insist that we have nothing to be proud of, that they continue to be unsupportive of job-creating projects that will benefit our

people for years to come. We have much to take pride in. We are making extraordinary investments in communities and families so that all Newfoundlanders and Labradorians are benefiting from the economic progress our government has made. People are paying less in taxes; that is a fact. Public debt has been reduced by 28 per cent; that is a fact. Consumer spending is up; that is a fact. Housing starts are up, that is a fact. We are no longer relying on equalization payments from Ottawa; that is a fact. That is what has happened in the last ten years.

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

**PREMIER DUNDERDALE:** We also have much to protect and secure for Newfoundland and Labrador families, Mr. Speaker. It might be difficult for some to understand, that we can boast a vibrant economy while at the same time speak of balancing our Budget.

Our revenues are not high enough to sustain our increased expenditure levels indefinitely. Simply put, we are not living within our means. You know yourself, Mr. Speaker: if you run a household and if you spend more than you take in each month, it will not be long before things start to deteriorate and you are borrowing money to keep your head above water.

That is not what we want for our people. That is the way of the past. That is the way of the people across the aisle. Our people in Newfoundland and Labrador expect better from us, and we expect better from ourselves.

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

**PREMIER DUNDERDALE:** We are taking a reasonable approach, protecting the progress we have made to date, providing for the present, and building on our unprecedented decade of progress for future generations. We are listening to Newfoundlanders and Labradorians and we will continue to focus on priority areas that are important to our Province.

We will continue to invest in our education system. We are building a plan for the future

and providing a solid education for our children, and training for the skilled labour our Province needs to go forward, despite views held on the opposite side of the aisle to the contrary.

We are investing in health care to ensure Newfoundlanders and Labradorians have access to quality health care services. Our commitments to this are clear; investments in health care have increased from \$1.3 billion in 2001 to \$2.9 billion last year. That is where the money went, I say to the Leader of the Opposition.

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

**PREMIER DUNDERDALE:** Last week, Mr. Speaker, it was my pleasure to announce more than \$500 million for the construction of the Corner Brook hospital.

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

**PREMIER DUNDERDALE:** Mr. Speaker, this project is important to the people of Corner Brook. It will provide quality services for people of Western Newfoundland for years to come.

As part of our ongoing investments in our communities and our families, Mr. Speaker, we have taken decisive action to help ensure our children are protected. To that end, last week I announced \$1 million to establish a new Task Force on Child Exploitation and Drugs. The team will be a joint effort between the RCMP and the RNC and will strengthen the fight against child exploitation, illegal drugs, and organized crime.

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

**PREMIER DUNDERDALE:** Mr. Speaker, our government recognized what is important and continues to invest in priority areas accordingly. As we enter this important crossroads in our Province's history, we must also ensure we have a plan in place that addresses sustainability and a vision for the future.

In the coming days my government will outline a Budget and a plan that will secure our future through investments in our families, in our people, and in our economy. This plan will provide long-term sustainability. That is what we have heard from Newfoundlanders and Labradorians, and that is what we will deliver.

Mr. Speaker, unlike those across the aisle, we have a vision for this Province, a vision that acknowledges just how far we have come and sets out a clear and defined course for our future. I am very proud, Mr. Speaker, of our journey to this point, and let me say, me and my caucus are very excited about the road that lies ahead.

Thank you very much, Mr. Speaker.

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

**MR. SPEAKER:** Does the Member for St. John's South have leave?

**AN HON. MEMBER:** No leave.

**MR. SPEAKER:** Order, please!

It is moved and seconded that a Select Committee be struck to draft an Address of Thanks to be presented to His Honour the Lieutenant Governor, in reply to the gracious Speech from the Throne with which he has been pleased to open this present session of the House of Assembly. The members of the Select Committee will be the Member for the District of Mount Pearl North, the Member for the District of Terra Nova, and the Member for the District of Burgeo – La Poile.

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

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

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

Motion carried.

Notices of Motion.

### Notices of Motion

**MR. SPEAKER:** The hon. the Minister of Finance.

**MR. KENNEDY:** Thank you, Mr. Speaker.

I give notice that I will move the following motion: that this House approve in general the budgetary policy of the government, the Budget Speech.

Mr. Speaker, I give notice that I will move that the House resolve itself into a Committee of the Whole on Supply to consider a resolution for the Granting of Supply to Her Majesty. (Bill 2)

**MR. SPEAKER:** The Member for St. Barbe.

**MR. BENNETT:** Mr. Speaker, I move, seconded by the Member for Bay of Islands:

WHEREAS the offshore of the West Coast of the Island of Newfoundland is recognized as a region containing potentially billions of barrels of oil;

WHEREAS the petroleum exploration sector needs the certainty and confidence of a stable regulatory regime; and

WHEREAS hydraulic fracturing could be an accepted and effective method of petroleum discovery and exploration and is compatible with the protection of the natural environment and community water sources when executed within the context of a robust comprehensive regulatory framework;

THEREFORE BE IT RESOLVED that this House of Assembly call upon the Government of Newfoundland and Labrador, in consultation with industry and communities, to develop and implement a regulatory framework under which hydraulic fracturing could proceed safely while protecting the natural environment and associated necessary local water resources.

**MR. SPEAKER:** The Opposition House Leader – further notices of motion?

**MS JONES:** No, Mr. Speaker, I just wanted to give notice that as per section 63.(3) of our Standing Orders, on Wednesday we would be calling the motion put forward by the Member for St. Barbe for debate.

**MR. SPEAKER:** Thank you.

The hon. the Government House Leader.

**MR. KING:** Thank you, Mr. Speaker.

I move, seconded by the Minister of Finance, that the House do now adjourn.

**MR. SPEAKER:** It has been moved and seconded that this House do now adjourn.

All those in favour, 'aye'.

**SOME HON. MEMBERS:** Aye.

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

Motion carried.

This House now stands adjourned until 2:00 p.m. tomorrow, Tuesday.

On motion, the House at its rising adjourned until tomorrow, Tuesday, at 2:00 p.m.