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Speaker: Honourable Ross Wiseman, MHA

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The House met at 1:30 p.m.

MR. SPEAKER (Wiseman): Order, please!

Admit strangers.

Before we start today's proceedings, I want to welcome some special guests to our galleries. There is a delegation from the Town of Grand Bank. There is Mayor Darrell Lafosse, Councillor Bruce Warren, and Town Manager Wayne Bolt.

Welcome to the House of Assembly.

SOME HON. MEMBERS: Hear, hear!

Statements by Members

MR. SPEAKER: Today we will have members' statements from the Member for the District of Port au Port; the Member for the District of Bonavista North; the Member for the District of St. John's West; the Member for the District of Kilbride; the Member for the District of Torngat Mountains; and the Member for the District of Exploits.

The hon. the Member for the District of Port au Port.

SOME HON. MEMBERS: Hear, hear!

MR. CORNETT: I rise to congratulate the winners and nominees who were honoured at the Stephen Awards Banquet in Stephenville on April 27 as part of Volunteer Week.

Debbie Brake-Patten was honoured with the Citizen of the Year Award, while Amber LeRoy was the recipient of the Youth of the Year Award, both being recognized for their outstanding volunteer service to the community. Jesse Byrne won the Junior Male Athlete of the Year Award, Jillian Forsey was presented with the Junior Female Athlete of the Year Award, and Chris Dugas was presented with the Senior Athlete of the Year Award. Also, twenty-three Certificates of Merit for Outstanding Volunteer Work were presented.

Congratulations are extended to Val Alexander, Larry Bentley, Debbie Brake-Patten, Stephen Brown, Irving Campbell, Irene Collins, Jeff Dehart, Cyril Gale, Frank Gale, Darlene Greenham, Amber Harper, Lisa Henley, Valarie Hulan, Arch Locke, Albert Le Roux, Brenda MacIsaac, James Mercer, Roxanne Mercer, Brenda Pittman, Greg Reid, Colleen Ryan, Donna Sheppard, and Terry White for their contributions.

I ask all hon. members to join with me in congratulating all the winners and all the nominees of the Stephen Awards on their invaluable contributions to our communities, our region, and our Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Bonavista North.

SOME HON. MEMBERS: Hear, hear!

MR. CROSS: I take great pleasure today in throwing a bouquet to a wonderful bunch of people from Bonavista North.

SOME HON. MEMBERS: Hear, hear!

MR. CROSS: The Pearson Park Committee was struck just a few short months ago with a desire to construct an outdoor fitness and recreational area adjacent to Pearson Academy in New-Wes-Valley. They model their desires from other projects that have recently shown great success around the Province.

Principal Juan Gill summoned several leaders from around the region that comprise the Pearson Academy community from Deadman's Bay to Greenspond. Mr. Speaker, I say they followed a model, but after the first meeting they broke the mould in every way.

On the day they found out they were receiving a Helping Hand award from Let Them Be Kids Foundation, they shattered the first-day

volunteer sign-up record for Newfoundland and Labrador with over 300 pledges.

On April 28, a community channel telethon was held. It realized \$91,234 in contributions. Not only has there been a growth in funds, but also growth in a sense of community and region, and on June 22, Pearson Park will literally grow before our eyes.

Let everyone here, please, join in my congratulations of these worthy citizens.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. CRUMMELL: Mr. Speaker, I rise today to congratulate Roberta Stanford on receiving a Volunteer Award at the recent Volunteer Recognition Night. I had the pleasure, Mr. Speaker, of attending this event, which celebrated the important contributions of volunteers throughout our Province.

Roberta received this award for her work with the Citizens' Crime Prevention Association of Newfoundland and Labrador. Roberta first became involved with the Clarendville Crime Prevention Committee back in 1989 and joined the provincial executive in 1995 where she served as both chair and vice chair.

Through her commitment and passion over the past twenty-four years, Roberta has had a profound impact on crime prevention across this Province. She was a driving force in recognizing projects such as the Rachel Project, anti-violence campaigns, and crime prevention awareness. Roberta recently played a lead role in mobilizing her charity to receive \$29,000 from the recent RCMP Klondike Night.

Mr. Speaker, many of us in recent days have brought attention to the generous contribution made everyday by volunteers in this Province,

and I ask all hon. members to join me in thanking Roberta Stanford and all our volunteers for the important role they play in the development of our communities.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. DINN: Mr. Speaker, in today's world the ability to express oneself publicly in oral and written form is becoming increasingly more important. Our schools are very aware of this need, and consequently, most of them place a great emphasis on public speaking as part of their curriculum.

On March 7, 2013, Hazelwood Elementary hosted its Annual Public Speaking Event. Students in Grades 4-6 prepared poems or speeches, and the finalists at each grade level presented to an audience of parents, friends, and judges. I had the honour that night to help judge the finalists in Grade 6. After a daunting task, the judges arrived at a winner for each grade level.

Maria Nash, with her recitation of A Rock Makes a Wonderful Pet, was the winner in Grade 4. Lucas Thornhill won in Grade 5 with his speech, Gaming: Happiness or Hypnosis, and Megan Moret was the Grade 6 winner with her speech entitled, The Dangers of Facebook.

I ask all hon. members to join me in congratulating the three grade level winners at Hazelwood, as well as all the other participants who did such a great job that night.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. EDMUNDS: Mr. Speaker, I rise in this hon. House today to congratulate Herman Webb of Nain on receiving the Queen's Diamond Jubilee Award.

Herman began working in his uncle's store as a young boy and eventually took over the business in 1980. Hayne's General Store was established in 1956. Herman has been operating the business for over thirty years, and continues to do so to this very day, providing the community with a first-class service.

Herman comes from a large, close-knit family that spent their early days in Webb's Bay, located just north of Nain. The family later relocated to Nain.

Mr. Speaker, Herman's respect from the residents of Nain is not because of any particular accomplishment within the community. What he is recognized for are the countless acts of humanity where Herman has helped out many residents of Nain in need. He has asked for nothing in return. Herman's business continues to be the cornerstone of the community – a business that has offered respectable prices despite its isolation and the rising cost of retail.

Mr. Speaker, I ask all hon. members to join me in congratulating Mr. Herman Webb of Nain on receiving the Queen's Diamond Jubilee Award.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for Exploits.

SOME HON. MEMBERS: Hear, hear!

MR. FORSEY: Mr. Speaker, November 2011, Thomas Maloney and Ben Hayley from the Exploits Valley region launched an ambitious fundraising campaign: to run in the Toronto Waterfront forty-two kilometre Marathon and to raise \$20,000 for the Children's Wish Foundation. These post-secondary students worked tirelessly selling their Run for a Wish

bracelets, knocking on doors for sponsors, holding car washes, bake sales, sports tournaments, and more.

Mr. Speaker, Ben admitted he is very competitive by nature and he trained for months leading up to the race, but finishing the forty-two kilometre race was a struggle. Although they were met with much doubt, Ben made it to the finish line and the pair exceeded their fundraising goal by \$7,000.

Mr. Speaker, I ask all members of this House to join me in congratulating Ben Hayley and Thomas Maloney on successfully making wishes come true.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Statements by Ministers.

Statements by Ministers

MR. SPEAKER: The hon. the Minister of Education.

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Mr. Speaker, it is no secret that students who are lesbian, gay, bisexual, or transgender have been on the receiving end of bullying and harassment in schools and communities throughout this country and around the world.

We have taken real action to address this issue, Mr. Speaker. As part of a three-year plan to build awareness around LGBT issues, the provincial government invested \$90,000 in MyGSA (or My Gay-Straight Alliance) resource which is designed to provide support for administrators, teachers, and students who want to establish a gay-straight alliance in their school. Developed in partnership with Egale Canada, I am proud to say Newfoundland and Labrador is the only Province in the country to offer such a resource to all schools that offer Grades 7-12.

I am equally proud to report that on Friday past, Egale Canada made a presentation to an international conference in Switzerland, where participants spoke about best practices taking place around the world to create safer and more inclusive schools. Mr. Speaker, our work around the development and distribution of MyGSA resource was highlighted at that conference as an example of providing leadership, and creating partnerships, which will help address this issue.

Our work continues, Mr. Speaker. The Province has invested a further \$100,000 in professional development to build awareness in the education system of issues around sexual orientation and gender identity. To date, sessions have been completed with all Kindergarten to Grade 12 principals, vice-principals and guidance counsellors, as well as school district staff and the Department of Education. I am among those who attended this training, Mr. Speaker. I hope that speaks to how strongly I feel about this issue as minister, as a former educator, and as an individual. Our next step will be to provide this professional development to all teachers in the Province, starting in the new school year.

Mr. Speaker, this investment of time and money speaks to our commitment to ensuring schools are safe, caring, and inclusive for everyone. I strongly encourage teachers to use the MyGSA resource to generate discussion in their classrooms and to support the creation of gay-straight alliances in our schools.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for Burgeo – La Poile.

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

I thank the minister for an advance copy of the statement. We all know school can be a tough environment for kids, and GLBTQ youth face tremendous pressure stemming from homophobia.

Mr. Speaker, it was shortly after I graduated high school that I heard about the murder of Matthew Shepard, a college student killed in the States because he was gay. We were roughly the same age. I can remember thinking how tragic and terrible it was that his life was cut so short.

Showing support for all students regardless of sexual orientation and gender identity is an important stance for our government to take. My Gay-Straight Alliance is a positive resource for encouraging all students to embrace tolerance. I understand, though, the resource is not being mandated in schools. Perhaps that is the next step.

I would be interested in knowing what percentage of our K-12 schools is making use of the resource. I am also glad to hear that teachers, the pillars of our children's education, will be availing of this professional development.

Mr. Speaker, in closing, I would just like to say I commend this investment by government and let's continue this positive initiative.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for St. John's North.

MR. KIRBY: Thank you, Mr. Speaker.

It is important to recognize the efforts of the Minister of Education, this government, and the staff who work for the Department of Education in our schools in promoting and advancing this initiative to create safer and more inclusive schools and to build awareness of issues around sexual orientation and gender identity.

I do want to point out that we need to work towards addressing the shortcomings highlighted in the recent review of the government's Safe and Caring Schools Policy which said that additional efforts are required to ensure that there is a sense of urgency and priority brought

to a government's anti-bullying policies. Some obvious ways to accomplish this, I say to the minister, would be to provide adequate staffing and adequate training, as well as consistent and clear guidelines for policy implementation.

As my colleague, the Member for Burgeo – La Poile has pointed out, we do not know what the take up is on this particular initiative, but we hope that the government will do whatever they can to try and advance it and promote it.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

AN HON. MEMBER: By leave.

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

MR. OSBORNE: Thank you, Mr. Speaker.

I would like to commend the government for the investments and the effort that have been put in, in this regard. Bullying of any type is unacceptable, Mr. Speaker. Government has made great strides in this regard to ensure that students feel inclusive. While that is not always the case, more needs to be done. Government has made great strides in this regard.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further statements by ministers?

The hon. the Minister of Natural Resources.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Thank you.

Mr. Speaker, I would like to take this opportunity to stand and inform this hon. House about the official start of the forest fire season in this Province.

The season began on the Island on May 1, begins in Labrador on May 15, and it will extend into late September. At this time of the year regulations come into effect in the best interest of public safety.

Mr. Speaker, all Newfoundlanders and Labradorians are privileged to use our forests for hiking, for camping, and other activities, and of course the forest provides much wealth to the people of the Province as well. It is our responsibility to take care of this tremendous resource. It is the responsibility of all of us. The official start of forest fire season is an appropriate time to remind residents to be extra vigilant when they are in the woods.

During forest fire season, a permit to burn is required, at no cost, for lighting outdoor fires for the purposes of clearing land or burning brush within 300 metres of a forest. Permits and regulations can be obtained at regional or district forest management offices around the Province. The lighting of fires for cooking and camping does not require a permit, but certain regulations, of course, must be followed.

The Province has a toll-free number that can be used to report forest fires during the season. The number is 1-866-709-FIRE.

Last year, in 2012, warm temperatures and a lack of precipitation created ideal conditions for forest fires. Our fire suppression staff responded to 197 forest fires between May and September. It was a busier than usual season, especially in Labrador. In some instances, Mr. Speaker, new fires were reported daily.

Mr. Speaker, I know all members of this House will agree that our firefighters, our permanent staff, the Incident Management Team, Air Services pilots, and maintenance crews are to be highly commended for their tremendous efforts. We can help them by being extra careful when we are enjoying the forest areas this year.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I want to thank the minister for the advance copy of his statement. There is no question that Newfoundlanders and Labradorians, on every occasion they get, will enjoy the forests. As we often hear, on the weekends you spend it in the country or in the woods enjoying our forestry resource.

What is important too, I would say it is important for all us who use the resource for enjoyment and for recreation, that we accept the fact that if we pack it in, we should bring it out. We know that leaving garbage in the country can cause a fire at some future date.

The minister mentioned about picking up a permit at no cost, and that it should be easy to do. For those who live in some of the rural areas, getting to the forestry regional office is not always easy. We need to look for ways that we can make it easier to collect those permits.

It does not go unnoticed either that in this year's Budget 2013, we have seen the reduction of one complete water bomber crew. We will, as will people of the Province, be monitoring that to see the impact.

The minister mentioned 197 forest fires last year. It is always amazing when I look at how volunteers and communities come together. I was in Labrador last year when we saw the evacuation of North West River and Sheshatshiu. The community came together to respond to that fire.

I would encourage all of us in the Province to really put due diligence in everything we do when we go into the country. I want to finish up by thanking all the people in the communities, both volunteers and our staff, for the great job they do in protecting our resource.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for The Straits – White Bay North.

MR. MITCHELMORE: Thank you, Mr. Speaker.

I, too, thank the minister for an advance copy of his statement. Our forestry resources are an important provincial asset which must be protected. I certainly acknowledge the role that government must play in educating the public on fire safety and the great outdoors. We need to have clear regulations when it comes to having a safe season, accompanied with a public service campaign and messaging around that.

I do hope we have the resources, like the Leader of the Official Opposition stated, for the upcoming season and that we do have reduced fires. I want to say just a big thank you to all the firefighters, pilots, other professionals, and volunteers who put their lives on the line to protect our forests and our communities.

Thank you, 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: The hon. the Minister of Tourism, Culture and Recreation.

SOME HON. MEMBERS: Hear, hear!

MR. FRENCH: Last evening, the Newfoundland Independent Filmmakers Co-operative, Telefilm Canada, and the Newfoundland and Labrador Film Development Corporation celebrated the fifth anniversary of its PICTURE START program at Empire Theatres. The event showcased highlights of the program over the past five years, including interviews with the filmmaking teams that have participated.

The PICTURE START program focuses on skills enhancement of emerging filmmakers by

pairing them with established filmmakers and film industry professionals. The hands-on approach is complemented by a series of workshops offered by local and national experts, and senior filmmakers mentor junior artist throughout the development, production, and post-production phases of the projects.

Mr. Speaker, each year the program's jury selects three scripts from an open competition and the winners are provided with the various resources they need to produce their first film. The program allows for access to expertise, equipment, and mentoring that is often a challenge for many up-and-coming filmmakers in the Province.

Undoubtedly, this program will continue to contribute to the growth of the Newfoundland and Labrador film industry by fostering future professionals who will potentially establish production companies and continue to create programming based here at home. In its five-year history, PICTURE START has completed fifteen films, and all thirty-three participants are currently employed in the film industry in the Province.

The success of PICTURE START is evident in the numerous careers that have their roots in the program's short history. Filmmakers such as Jordan Canning, Joel Hynes, and Sherry White to name a few, have had their careers launched through this innovative program. Their success, Mr. Speaker, has been realized both locally and abroad.

Mr. Speaker, the provincial government invests approximately \$6 million in the film industry which generated more than \$41 million in film and production activity in the Province during the last fiscal year. Our government is pleased to be a strong supporter of our cultural industries and *Budget 2013: A Strong Plan, A Secure Future* includes more than \$17 million for the cultural and heritage sectors, bringing our total investment to \$87 million since the launch of *Creative Newfoundland and Labrador: The Blueprint for Development and Investment in Culture* in 2006.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for Bay of Islands.

MR. JOYCE: Thank you, Mr. Speaker.

I thank the minister for an advance copy of his statement. Once again, we see a group of volunteers in Newfoundland and Labrador who are willing to give their expertise to people who are up and coming, people who are in the film industry.

To those people who are giving up their time, energy, and passing on their knowledge, thank you very much on behalf of the Opposition. Because if the film industry thrives in Newfoundland and Labrador, we are going to create employment in this area and it is going to be beneficial to all of Newfoundland and Labrador.

I noticed back years ago there was \$1 million invested in some equipment for Western Newfoundland. I am not sure what happened to that equipment because it was supposed to be an investment to increase the film industry for the Corner Brook, West Coast area. The minister may, some time, stand and speak on that \$1 million in equipment that was bought.

In the statement that the minister made, which is very good, is that there were fifteen films and thirty-three participants, and all those films that were created, the thirty-three participants are still in the film industry in Newfoundland and Labrador. That is a credit to the program itself. That is a credit that this program, PICTURE START, does actually work.

Once again, I thank all the people who are mentoring the young filmmakers in this Province. To the young filmmakers, do not give up; keep it going because you will do well eventually in Newfoundland and Labrador because it is an industry that is up and coming. It is an industry that has nothing to do but grow in this Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

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

I congratulate my fellow filmmakers at NIFCO. I had the honour of attending the reception last night. There was lots of excitement and pride in the room. It was actually bursting at the seams.

About eighteen years ago I had the honour of being President of NIFCO. It was at the time when we developed ourselves into a full-fledged industry, that is was no longer just somebody's tree house, yet still protecting the right for experimental and art films, that it is not all about industry and we have to protect that.

There was a time when people were telling our stories; now we can tell our own stories. That is so vital for the people of Newfoundland and Labrador, for us to be able to tell our stories in our own way.

For the past thirty years the cost to be a member of NIFCO was \$5. Today, Mr. Speaker, that cost is still \$5. It means that everybody has access to filmmaking opportunities; it means that everybody has access to training. Nobody graduates out of NIFCO. We continue to support one another.

We are the envy – our film co-op is the envy of film co-ops worldwide. Film is such a collaborative medium. It involves all aspects of the arts and many local businesses. Mr. Speaker, any money invested is a good investment, and sociologist Richard Florida says the health of the arts in a community is a measure of the health of the community and society itself.

MR. SPEAKER: Order, please!

Your time has expired.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further statements by ministers?

Oral Questions.

Oral Questions

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

MR. BALL: Thank you, Mr. Speaker.

The Minister Responsible for Fire and Emergency Services yesterday met with the Minister of National Defence to discuss search and rescue in our Province. The minister said that he had outlined all the concerns of Newfoundland and Labrador, but failed to request the federal involvement in a search and rescue inquiry for our Province.

So I ask the minister: Why did you not raise this important issue with the federal minister during your meeting?

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

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, the reason I did not outline the need, as he said, for an inquiry was because I considered the federal AG report the actual inquiry. The federal AG report has outlined issues within the federal SAR system, which we have actually communicated to the federal minister at various occasions over the last couple of years.

Now is the time for action, Mr. Speaker. As well, I outlined some ways they could address those issues immediately by partnering with private industry and other ways they could actually augment the services now that are provided by the military across Canada, especially out of Gander, which 103 operates out of.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I think the minister, if he is thinking the federal AG's report is indeed a public inquiry, is missing the mark on all of this. The federal AG himself quite clearly said he did not audit provincial responsibilities. He did not even audit the RCMP involvement into search and rescue in our Province.

The Premier and this government have repeatedly asked for our federal Liberal MPs to get involved in the call for improved search and rescue, which they have. Now we finally have the federal minister onside. We have the federal MPs onside. The federal minister has said that he would co-operate in an inquiry.

I ask the minister: Why is it everyone, except for this government and except for this Premier, agrees to call for a public inquiry into search and rescue in our Province?

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

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Simply, Mr. Speaker, it is because now is the time for action. Eighty-five per cent as regards to search and rescue in Canada, not only in Newfoundland and Labrador, is provided by the federal system. The Auditor General has outlined certain issues within that system and now is the time for action.

We do not need more talk. We do not need meetings on top of meetings. We need action, and action now. We have expressed that to the federal minister. We will express that time and time again, each and every chance I get to get the action that is needed for the Province of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Thank you, Mr. Speaker.

I think the minister should understand that taking action for the sake of taking action is not good enough. That is an example of what happened in Budget 2013. They went out, they took action, they did not talk to people who were involved, and the people who are feeling the impact of Budget 2013 right now.

Last year Newfoundlanders and Labradorians protested across the Province demanding action from this government. They were the ones who asked for this. They wanted to see this government take action on an inquiry into search and rescue. The minister says he raised all the concerns, but did not raise this one.

Why do you feel that an inquiry is not a concern for people in Newfoundland and Labrador?

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

SOME HON. MEMBERS: Hear, hear!

MR. O'BRIEN: Mr. Speaker, over the years, I spent sixteen years in the Reserves and the Canadian Rangers. I know the system well. I have a lot of faith, as a minister, in the system in Newfoundland and Labrador and our volunteers. Now is the time for action.

There are identified problems with the SAR system in Canada, identified by the Auditor General, the federal Auditor General. Now is the time for action. Now is the time for access. He has personnel issues. I have suggested ways to overcome that issue. So now is the time to move on the recommendations, which they have endorsed in the federal government, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Speaking of the time for action, Mr. Speaker, I would say that the Noseworthy report gave a scathing review of the Department of Advanced Education and Skills. It says the department is lacking co-ordination. It is lacking communication, evaluation, strategy, and direction. The report contains eighty-seven recommendations. In the Blue Book in 2003 – you want to talk about action – it says that they would act on recommendations within sixty days.

So, I ask the Minister of Advanced Education and Skills: When can we expect an official response on this report?

MR. SPEAKER: The hon. the Minister of Justice.

SOME HON. MEMBERS: Hear, hear!

MR. KING: Mr. Speaker, as the member opposite would know from participation in Estimates and other debates in this House, we are taking significant action to realign the Department of Advanced Education and Skills with the needs of Newfoundlanders and Labradorians. We are making those choices, we are making those decisions, and we are taking those directions in the interests of Newfoundlanders and Labradorians.

The future has never been brighter in this Province, Mr. Speaker. There are tremendous opportunities for people to get an education here, to work here, to build a home, and to raise a family. We are making sure that the services delivered through the Department of Advanced Education and Skills are aligned to match what is required and to support Newfoundlanders and Labradorians.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: Well, I will talk about the action from that department. This is the kind of action that the Noseworthy report talks about. It actually cautioned about cutting EAS offices,

which this government has done. It talked about making budget cuts, it talked about decreasing jobs. It also says that this would increase challenges within the department. He also went on to say that this department is already dysfunctional and facing enormous challenges.

I ask the minister: This report cost \$150,000, yet the changes in your department conflict its own recommendations, so how can you reconcile the two?

MR. SPEAKER: The hon. the Minister of Justice.

SOME HON. MEMBERS: Hear, hear!

MR. KING: Mr. Speaker, the member opposite would know that reports are commissioned, written and developed on a weekly basis in government, just like in the private sector. Reports are used to inform decisions, Mr. Speaker.

Let's be very clear, there is nobody who ever said that the Noseworthy report, or any other report will be final and binding and that the recommendations therein would be implemented. We take all of those pieces of information, just as we take consultations with people right across the Province. That is what is driving the agenda of the Department of Advanced Education and Skills.

I remind the member again, it is this government that has created an economic climate that has never been better for the people of Newfoundland and Labrador, and it is this government that is aligning the Department of Advanced Education and Skills to ensure that Newfoundlanders and Labradorians avail of every opportunity available to them.

SOME HON. MEMBERS: Hear, hear!

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

MR. BALL: I thank the minister, because the economic climate – just listen to this economic climate. Seven years after launching a Poverty

Reduction Strategy the Noseworthy report stated that AES is not doing a good job at transitioning Income Support clients into the labour market. This government is saying that we have this looming labour market out there but we are not transitioning Income Support clients into that market.

If your Poverty Reduction Strategy is so successful, why is it there are more people on Income Support today than there was in 2009?

MR. SPEAKER: The hon. the Minister of Justice.

SOME HON. MEMBERS: Hear, hear!

MR. KING: Mr. Speaker, I say to the member opposite, you cannot have it both ways. You cannot stand in the House and criticize because we are trying to change something and then when I give an answer talking about how we are changing, stand up and say: Well, you should not be changing it.

The fact of the matter is when you are talking about transitioning Income Support recipients into the workforce or any number of the many of activities that the Department of Advanced Education and Skills is engaged in that is exactly what we are doing. We recognize the opportunities that exist in this Province. I have outlined them over and over again in this House, as has the minister.

Income Support recipients are but one target group, and we will do what we can to provide the supports, the financial means and the family supports to help those people avail of the educational opportunities, and subsequent to that, the employment opportunities that exist in the Province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Bay of Islands.

MR. JOYCE: Mr. Speaker, yesterday we learned of a gruesome discovery of moose carcasses close to the Trans-Canada Highway

near the community of Benton. We also learned they were deposited there by conservation officers.

I ask the minister: Is this common, and how many more of those moose graveyards are around the Province?

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

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Mr. Speaker, I do not spend –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MARSHALL: Mr. Speaker, I do not spend a lot of time in the woods but I would imagine that wild animals are born in the woods, and I would suspect they die in the woods as well.

Mr. Speaker, conservation officers obviously have to deal with moose that are killed on the highway. These carcasses have traditionally been taken into remote areas of the Province far from the highway. Unfortunately, it did not happen in this particular case. The senior officials have directed officials of the department to ensure that this does not happen again.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Bay of Islands.

MR. JOYCE: Mr. Speaker, an official with Natural Resources admitted that the dumping of animal carcasses in the woods does happen. Meanwhile, if a private citizen did the same thing they would be charged with illegal dumping.

I ask the minister: Why are you allowing conservation officers to dump carcasses in the

woods while there is a major effort to curb illegal dumping in our Province?

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

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Mr. Speaker, I am advised that for many, many years the carcasses are in fact taken to remote sections of the woods. The carcasses, of course, are eaten by other wild animals and disappear in that way. That will continue.

There are some places, of course, Mr. Speaker, where landfills may be close by that can be utilized if permitted. There are other areas where the Department of Environment has even allowed pits for the burial of moose. I think traditionally, as I said, wild animals are born in the woods and will die in the woods.

MR. SPEAKER: The hon. the Member for Bay of Islands.

MR. JOYCE: Mr. Speaker, these animals died on the road. It is a major concern for health with disease with the rotting carcasses. Minister, you should take it a bit more seriously, especially when you take it and you pile all the animals in one spot near a community where people are out walking.

I ask the minister, many municipalities are using cameras and other electronic devices to catch illegal dumpers: How can you expect the citizens of the Province to buy into the Waste Management Strategy when we have our own officials creating moose graveyards throughout this Province?

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

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Mr. Speaker, the hon. member is right, this is a serious issue. The officials of the Department of Natural Resources and the conservation officers take their

responsibilities and their duties very seriously. Unfortunately, this particular carcass was left close to the highway. The officials have been involved to be more careful and ensure that the disposal of carcasses takes place in the appropriate way and according to the rules and regulations of the department.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for Bay of Islands.

MR. JOYCE: Just to let you know, Minister, there were three carcasses, not just one, so this was not an isolated incident. It is a very serious health issue, Mr. Minister.

Mr. Speaker, we have learned that the government bailed out the pellet plant in Roddickton by paying \$50,000 to cover their insurance premiums. Apparently, the company could not afford to pay their own insurance.

I ask the Premier: After putting \$11 million in taxpayers' money into this idle plant, can you confirm that the government is now covering their insurance bills?

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

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Mr. Speaker, the government is proud to stand with the people of the Great Northern Peninsula. We have made a major investment – which an hon. member just made – into a plant at Roddickton.

We are continuing to work with that company and to work with proposals that it has put forward to the government to hopefully ensure that, for the benefit of harvesters and citizens of the Great Northern Peninsula, there will an opportunity to sell wood and to be employed in the industry there. Hopefully, we can take advantage of markets throughout the world that might be available to provide some prosperity to

that particular plant and others throughout the Province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for Bay of Islands.

MR. JOYCE: I missed that, Mr. Minister – how many people are working there now, with the great investment that your government made, against all the officials who said no, the money should not go there for several reasons. I missed how many people are working there, Minister.

It has been confirmed by the Auditor General that government took on a significant risk by giving the company \$11 million. The Premier pushed this project through the system without listening to concerns expressed by her officials, and now the plant is sitting idle while we pick up all the insurance bills.

I ask the Premier: How much of this money has been repaid to the people of the Province, and when can we expect full repayment of this loan?

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

MR. MARSHALL: Mr. Speaker, we support industries throughout Newfoundland and Labrador; we do it all the time. We are supporting a mill in Corner Brook, and the hon. member does not have any problems with that. We also provided support to a wood pellet industry and a sawmill company up in Roddickton. They are having difficulties; there is no question about that. The plant is idle at the moment.

One of the things they have done, they have formed some partnerships with other stakeholders and in the call for expressions of interest for fibre in Central Newfoundland and in Labrador, there are a number of proposals that can see an enhancement and expansion to the wood pellet industry in Central Newfoundland and in Labrador, and hopefully up the Northern Peninsula as well.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for Torngat Mountains.

MR. EDMUNDS: Mr. Speaker, the Labrador School Board is making a position of education psychologist redundant in Labrador and replacing it with an education assessor to accommodate the bumping procedure within the board.

I ask the minister: Why is the school board allowed to eliminate this very important position through transfer, putting the learning ability of children at risk?

MR. SPEAKER: The hon. the Minister of Education.

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Thank you, Mr. Speaker.

I believe there was some concern raised, as the hon. member has mentioned, about a position being removed. Mr. Speaker, quite simply, it is a collective bargaining issue. We just have to allow those things to work its way through the process.

MR. SPEAKER: The Member for Torngat Mountains.

MR. EDMUNDS: Mr. Speaker, the Labrador School Board has advertised for an educational psychologist for seven years before it finally had a candidate in the position last fall. With the elimination of the role, children in Labrador may be required to travel to St. John's to the Janeway Hospital to be diagnosed.

I ask the minister: Why would the children of Labrador have to leave home for proper care due to amalgamation of the school boards and the elimination of services?

MR. SPEAKER: The hon. the Minister of Education.

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Mr. Speaker, I have cautioned some members across the way before about making statements that are creating anxiety in parents. This is another case.

Mr. Speaker, the students of this Province, Labrador and on the Island, receive first-rate service from this government. Our investment in special education services is second to none in this country. Again, as I have said, the position is there, it remains there, and there is a collective bargaining issue. We will let that process take its course.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for Torngat Mountains.

MR. EDMUNDS: Mr. Speaker, this is the only qualified education psychologist in Labrador, a member of Nunatsiavut with cultural ties to the region. This person is also a clinical psychologist, adding to their level of expertise and ability to provide the necessary services.

I ask the minister: Is this what you meant when you said in response to my question last week – and Hansard will confirm this – “...the programs that are in place and the resources that are in place will be protected under this new arrangement”?

MR. SPEAKER: The hon. the Minister of Education.

SOME HON. MEMBERS: Hear, hear!

MR. JACKMAN: Mr. Speaker, under a collective bargaining issue, a particular individual does not have the determined right to that position. The position is there. It will be filled. I cannot determine who the position will be filled by.

Again, our investment and this Budget, Mr. Speaker, we decided we were going to maintain those front-line services, and those services to special education students will be maintained.

SOME HON. MEMBERS: Hear, hear!

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

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

In response to my clear questions yesterday on expropriated Abitibi properties, the Minister of Natural Resources gave us an impromptu history lesson but he did not answer the question. There are serious concerns about how much the people of the Province are out of pocket and how long before they will be out of the red.

Mr. Speaker, I ask the minister: Will he appoint an independent third party auditor to assess the deal and report to the House on the merits of this government's hasty botched expropriation?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Mr. Speaker, there is no need of such a person because they already exist. The (inaudible) have their own auditor, or we have the Auditor General who can do that.

Mr. Speaker, the hydroelectricity assets from Central Newfoundland are going to provide tremendous value to the people of the Province. It already has and will continue to do so. The benefit to the ratepayers of the Province from just the cost of oil that has been displaced because this energy asset has now been available, we have electricity replacing oil. It has already provided a benefit to ratepayers in this Province that exceeds the value of what we paid for those assets.

Mr. Speaker, my officials have met with Nalcor to make a determination of the value over a twenty-five year period; in other words, what has happened since expropriation in 2009, for a twenty-five year period. There are obviously a number of factors that you have to take into that estimate, the offsetting of fuel costs to Holyrood, market prices –

MR. SPEAKER: Order, please!

The hon. the Leader of the Third Party.

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

I am interested in what the minister is saying. What I would like to see in this House, and maybe he will table it, are all the documentations, the evidence, and the proof that he is talking about.

Will he table that information?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Thank you, Mr. Speaker.

In calculating the value to the Province over the next twenty-five years, as I said, we have to look at things like discount rates, the cost of fuel, interest rates, market price of electricity and so on. Based on these factors, I have been advised that they are projected to provide a total benefit to the Province, to Nalcor, and to the ratepayers in this Province of hundreds of millions of dollars over the next twenty-five years.

This is a hydroelectric asset that has been acquired. We have to pay only for half of the value of the asset. This will provide benefits. It will be owned ultimately by Nalcor. It will be owned by the people of the Province. It will provide them with cheaper electricity than they are paying now based on the cost of oil to Holyrood. This is a good deal for the people. It is a good deal. We have the people's assets back where they belong.

SOME HON. MEMBERS: Hear, hear!

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

MS MICHAEL: Mr. Speaker, this government keeps throwing numbers around. Yesterday, the minister did not provide an answer to my question about the claims made by a government backbencher last weekend that government has made \$50 million in the past four years from the expropriated Abitibi hydro assets. Now the minister is speaking about hundreds of millions as we move into the future.

Will he please give us the correct information? Give us the documents to prove what he is saying.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Mr. Speaker, obviously, the Leader of the Third Party does not understand the difference between the past, since 2009, to today. The benefit that we have received over and above the cost has been, to the end of February, \$55 million; to March 21, \$65 million. On a go-forward basis over time, over twenty-five years, somewhere between \$369 million, probably around \$400 million, but who knows, based on the forecast for interest rate discounts and the price of oil.

SOME HON. MEMBERS: Hear, hear!

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

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

It is the minister who does not understand. I am asking a simple question, show us the proof.

Mr. Speaker, we learned in Estimates Committee for Justice that government has no immediate plans for the Whitbourne youth secure, custody centre. The minister noted government has to find an alternate way to deal with youth offenders who need the service.

Mr. Speaker, I ask the Minister of Justice: Can he elaborate on what he is considering as alternate ways to help young offenders in this Province?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Justice.

SOME HON. MEMBERS: Hear, hear!

MR. KING: Mr. Speaker, I am not sure what there is to elaborate on. In her preamble she said I had no plans, so I cannot very well elaborate on something I do not have.

What I can say to you, though, is that when we considered Whitbourne and we considered the staffing at Whitbourne, we considered the fact that the number of inmates on average has gone down from about sixty to – I believe at the time of Estimates – around seven inmates per year. We were pushing well over eighty-plus employees out there, Mr. Speaker. As we did a reconciliation of the resources that were required to provide the services to the clients out there, we recognized an opportunity to save some money and still provide the kinds of services that were required, and that is what we have done.

We will take a further look at that as we move forward, Mr. Speaker, and if there is an opportunity to move away from that service delivery model in that facility, then we will explore that.

SOME HON. MEMBERS: Hear, hear!

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

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

I ask the minister then to tell us, they are considering alternate plans: How long is it going to take before we know the plans so that we know that these young offenders are being taken care of with justice and equality?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Minister of Justice.

SOME HON. MEMBERS: Hear, hear!

MR. KING: Mr. Speaker, let me be very clear for the member here, and for all those who are listening or paying attention to this debate. The young offenders in Whitbourne are being taken great care of. They are receiving quality services from social workers and psychologists. They are receiving outdoor recreational activities, farming activities, all of the same kinds of activities, services and supports that they would have been receiving over the last seven or eight years. Let me reassure the member opposite that will continue, Mr. Speaker.

If we decide to transition away from that model of service delivery and perhaps offloading an asset that is a tremendous financial burden to the Province at this point in time for the number of youth who are there, if we decide to go down that road, then we will certainly make that available to the public for discussion.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MS ROGERS: Thank you, Mr. Speaker.

Mr. Speaker, it is Nurse Appreciation Week and we want to thank the amazing nurses serving the people of Newfoundland and Labrador. The minister directed the RHAs to cut at least 125 management positions, the majority of which will be nurse managers in the front lines.

Mr. Speaker, what is the plan? Has the minister done an impact assessment or requested one on how these cuts will affect patient care and RN workloads? Will the minister table that assessment?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MS SULLIVAN: Thank you, Mr. Speaker.

Mr. Speaker, first of all, we will start with our normal correction. I did not direct the RHAs to do any such thing. What has happened is that we have started down the road of operational reviews. Eastern Health started their operational review last year and in the process of doing that they identified efficiencies that could be found through managerial positions within their RHA.

The other three health authorities, Mr. Speaker, are in the process now of doing their operational reviews. We anticipate they, too, will find the same efficiencies within the management structure. This is not a matter of direction; this is a matter of due course being followed through the operational reviews.

SOME HON. MEMBERS: Hear, hear!

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

MS ROGERS: Thank you, Mr. Speaker.

Those management positions are going.

Mr. Speaker, professional development is a key issue for attracting and retaining nurses. It helps nurses be current in their areas of expertise and benefits patient care. This past year, the minister issued a moratorium to all RHAs to discontinue all funding of registration, travel, and leave replacement for professional development for nurses. Our nurses want to be current in their areas of expertise.

I ask this minister: What exactly is the policy on ongoing professional development?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MS SULLIVAN: Once again, Mr. Speaker, I issued no directive. The RHAs, as they looked to finding their own efficiencies throughout the system, identified various areas within their work and within scopes of practice within which they thought they could find efficiencies.

Mr. Speaker, one of those areas was in the area of travel; another was in the area of professional development. Any essential professional development still happens. There has been no curtailment of that whatsoever.

In terms of optional professional development, Mr. Speaker, the RHAs have directed that they take a closer look at that. In some cases, some of that professional development is still going ahead, but it may be that one person may be going, as opposed to two or three people, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for St. John's North.

MR. KIRBY: Mr. Speaker, as the Child and Youth Advocate pointed out earlier this year, deficiencies in documentation and communication standards in the Department of Child, Youth and Family Services put children at risk of neglect and abuse.

When will government address these deficiencies and fully implement the standard service delivery team model for child protection, adoption, and youth corrections that was promised almost two years ago now?

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MS SULLIVAN: Thank you, Mr. Speaker.

Mr. Speaker, that question was asked and answered this morning in Estimates. We have seen the recommendations of two or three of those reports, and we have seen the recommendations as well that have come through the Susan Abell report. Recommendations have been accepted by the department, are being acted upon by the department, and are being implemented.

Mr. Speaker, one of the most important recommendations that the department has followed up on has to do with the allocation of social workers within the department. They aimed for a ratio of one in twenty, and currently they are at one in twenty, Mr. Speaker. It is certainly a huge –

AN HON. MEMBER: One in twenty-one.

MS SULLIVAN: One in twenty-one, thank you. It is a huge improvement over where things have been. They also looked in terms of supervisors and social workers, and they are now at one in six, in terms of a supervisor having responsibility (inaudible) –

MR. SPEAKER: The Member for St. John's North.

MR. KIRBY: Mr. Speaker, there are currently a number of vacancies in the front line, including fourteen social workers. The promised new team delivery model for CYFS is supposed to include one social work assistant for every six social workers to allow for improved communications, documentation, and plans of care.

When will government provide staffing resources needed to ensure that the department service delivery team model is fully implemented?

SOME HON. MEMBERS: Hear, hear!

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

MS SULLIVAN: Thank you, Mr. Speaker.

In response to the question from the member opposite, Mr. Speaker, I will point out that there is, in fact, a ratio that is being worked on. We answered that question this morning in the sense of saying that we are constantly looking at recruitment and retention within this department. We recognize that the team model is the best model, and it is a model that we are working toward.

Mr. Speaker, in most all cases, that is a model that is totally, totally complemented. There are some areas, however, where we do not yet have assistance for social workers, but that has not changed the fact that we are out recruiting for those particular positions.

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

Presenting Reports by Standing and Select Committees.

Presenting Reports by Standing and Select Committees

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. the Member for the District of Port de Grave.

MR. LITTLEJOHN: Mr. Speaker, the Social Services Committee has considered the matters to them referred and have directed me to report that they have passed, without amendment, the Estimates of: the Department of Municipal Affairs; the Department of Education; the Department of Health and Community Services, and French-Language Services; the Newfoundland and Labrador Housing Corporation; the Department of Justice; and, the Department of Child, Youth and Family Services, and Women's Policy.

Thank you, Mr. Speaker.

MR. SPEAKER: Tabling of Documents.

Notices of Motion.

Notices of Motion

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

MR. KING: Thank you, Mr. Speaker.

I move, seconded by the Minister of Finance, Motion 7, pursuant to Standing Order 11 that this House not adjourn 5:30 p.m. today, Tuesday, May 7, 2013.

Further, Mr. Speaker, I move, seconded by the Minister of Finance, Motion 8, pursuant to Standing Order 11 that the House not adjourn at 10:00 p.m. today, Tuesday, May 7, 2013.

MR. SPEAKER: It has been moved and seconded that this House do not adjourn at 5:30 p.m. today, Tuesday, nor adjourn at 10:00 p.m. today, Tuesday.

All those in favour of the motion?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: All those against?

Motion carried.

Answers to Questions for which Notice has been Given.

Petitions.

Petitions

MR. SPEAKER: The Member for Burgeo – La Poile.

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

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

WHEREAS Newfoundland and Labrador currently has the highest unemployment rate in Canada; and

WHEREAS the Government of Newfoundland and Labrador anticipate a labour shortage of 70,000 people by 2020; and

WHEREAS eliminating the career practitioner knowledge base is contrary to attaching people to the labour market; and

WHEREAS EAS agencies are grassroots hubs in communities providing services like skills development, resume development, interview skills, and facilitating attachment to the labour market and community; and

WHEREAS loading the workload of 226 employees onto 139 Advanced Education and Skills employees would be an overwhelming expectation, increasing staff turnover, and thus decreasing rapport with clients;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to reverse the decision to cut funding to EAS agencies in the Province.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, this is one of the things that was brought up in the Noseworthy report which was a very comprehensive, thorough report done by John Noseworthy at the cost of \$150,000. I will tell you, he certainly earned the money, going by the deficiencies that he pointed out in this department. It took him almost 300 pages to show what a state this department actually is in. Again, this is what happens when you cobble together a bunch of different programs into a department without actually thinking about what you are doing first.

The EAS agencies is one of those things that has been tossed out into the wind; 226 people in this Province who were doing a good service, providing a good service, contributing to our

economy and making sure that the labour shortage that is there is going to be addressed.

It is funny because Mr. Noseworthy actually cautioned that cutting EAS offices, budgets, and jobs would increase challenges to the department which is already dysfunctional. It seems like we actually went against the Noseworthy report.

I am looking forward to doing the Estimates tomorrow for Advanced Education. This is one of the questions we will likely ask, amongst many; exactly why did we make this decision which goes against the report that be bought and paid for earlier in the year that apparently we were not using when we made these decisions.

Again, there are lots of questions coming up; unfortunately, EAS employees, 226 of them were tossed out without any serious consideration or thought given to what was being done.

Thank you, Mr. Speaker.

MR. SPEAKER: The Member for The Straits – White Bay North.

MR. MITCHELMORE: Thank you, Mr. Speaker.

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

WHEREAS Route 438 (Croque-St. Julien's, Grandois Road), a former woods road, is nearly thirty kilometres of gravel road; and

WHEREAS the students, workers, and residents must travel this road for all education, health, business and other services; and

WHEREAS the Department of Transportation and Works has no immediate plans to do major upgrading on Route 438 despite the current road conditions being disgraceful; and

WHEREAS it is the government's obligation to provide basic infrastructure to all Newfoundlanders and Labradorians;

We, the undersigned, petition the House of Assembly to urge the government to allocate funds in the 2013 provincial roads program to upgrade Route 438.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, the petition is signed by residents of Croque, Roddickton, Englee, Corner Brook, and Conche. Mr. Speaker, this road is a former resource road that I travelled on Saturday and in it, the condition is absolutely disgraceful. There are tree stumps and logs growing up through the road or being visible, that students have to travel over, and all residents. There is no commercial activity on this road, in these communities; there are no government services there. It would essential to at least bring in some crushed stone and to do the work that is needed so that the people can have a gravel road in this region that is up to standard in today's society in Newfoundland and Labrador.

These people are not asking that the road be paved for the thirty kilometres. There are a small number of residents there. They do expect that the Department of Transportation and Works would provide an adequate level of crushed stone and make sure the tree stumps and things like that are removed from this highway, and not just covered over.

There needs to be work done. This matter needs to be addressed because this is 2013 and we should not have to be living like this. So I submit this petition on behalf of constituents and others in the Province.

Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. EDMUNDS: Mr. Speaker, to the hon. House of Assembly of the Province of Newfoundland and Labrador in Parliament assembled, the petition of the undersigned humbly sheweth:

WHEREAS there is an identified need for all levels of care in all regions of Labrador; and

WHEREAS the Paddon Home is suitable for all levels of care

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to conduct a needs assessment to identify the needs of all levels of long-term care in Labrador and to reopen the Paddon Home for care of long-term residents in Happy Valley-Goose Bay.

As in duty bound, your petitioners will ever pray.

Now, Mr. Speaker, this particular submission is signed by people in Hopedale, Rigolet, Makkovik, and Happy Valley-Goose Bay. The reason they are coming forward is because they know of the situation at the Melville Hospital in Goose Bay.

I was actually at the hospital on Sunday afternoon visiting some of my constituents and certainly some friends and relatives. As I walked through the hospital, Mr. Speaker, I saw individuals in the hallways, some on beds, some in wheelchairs, and many who have actually taken up hospital rooms that were created for acute care patients.

I will say it, I said earlier in petitions I submitted and I will say it again, as the population of Labrador increases, specifically Happy Valley-Goose Bay with the construction of Muskrat Falls Project and the expected population to rise to an extra 3,500 people, so will the demand on the resources in Upper Lake Melville. One resource is going to be the hospital, Mr. Speaker. Certainly there will be times when people may not be accommodated due to the over crowdedness at the hospital.

I look forward to this government acting on the reopening of the Paddon Home for long-term care in Happy Valley-Goose Bay.

Thank you.

MR. SPEAKER: The Member for St. John's North.

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

WHEREAS students of the Adult Basic Education program at the College of the North Atlantic do not wish to attend privatized educational facilities; and

WHEREAS College of the North Atlantic has the most accredited Adult Basic Education program in Newfoundland and Labrador; and

WHEREAS students are concerned as to the availability of private institutions and whether or not they can accommodate additional students;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge government to reverse this damaging decision to students and reinstate Adult Basic Education programming at College of the North Atlantic.

As in duty bound, your petitioners will ever pray.

Mr. Speaker, on this petition today we have more petitioners from Labrador, from North West River, Sheshatshiu, and Goose Bay. Yesterday, I presented a different petition. There are now two petitions regarding Adult Basic Education that are coming in periodically to my office: one is this one which is to reinstate the program; the other one is for government to produce or release the enrolments, funding and graduation figures that have been talked about. There is much confusion in the information that has been released to the public.

This letter that was written to the Premier from instructors of Adult Basic Education at College of the North Atlantic talks about the serious financial and social costs of eliminating the program. They also talk about the fact that the source for the figures that have been released publicly has not been revealed; hence, their accuracy and relevancy to the argument are questionable in the opinion of those instructors.

Also, yesterday I pointed out some of the things that have happened since, the unintended consequences of this decision. For example, students possibly not being able to get a place in residence because they are not College of the North Atlantic students, and thereby do not have the first opportunity to get a residence room as a result of that.

We continue to receive this petition. I and the Minister of Advanced Education and Skills, the Premier, and members of the Official Opposition continue to get e-mails almost on a daily basis about this from individuals across the Province. So I would urge members opposite to rethink this decision and ask government to change this, because it is a wrong-headed and foolhardy direction for us to go in.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Member for St. Barbe.

MR. BENNETT: Mr. Speaker, a petition to the hon. House of Assembly of the Province of Newfoundland in Parliament assembled, the petition of the undersigned residents humbly sheweth:

WHEREAS home care allows the elderly and people with disabilities to remain within the comfort and security of their own homes, home care also allows people to be discharged from hospital earlier; and

WHEREAS many families find it very difficult to recruit and retain home care workers for their loved ones; and

WHEREAS the PC Blue Book 2011 as well as the 2012 Speech from the Throne committed that government would develop a new model of home care and give people the option of receiving that care from family members; and

WHEREAS government has given no time commitment for when government plans to implement paying family caregivers;

WHEREUPON the undersigned, your petitioners, humbly pray and call upon the House of Assembly to urge the Government of Newfoundland and Labrador to implement a new home care model to cover family caregivers.

And in duty bound your petitioners will ever pray.

Mr. Speaker, what is being sought here is not something that was not promised. It is not something that will cost government more. The promise was made, Mr. Speaker, to cover the cost of family members who are qualified home care providers for people who are already eligible to receive home care.

Mr. Speaker, the same recipients, the same patients, the same elderly people would receive care from qualified strangers. What is the difference if they receive care from qualified family members, people they know, people who are close to them? Mr. Speaker, this does not cause an extra draw down of more funds from the Treasury. It simply permits the government (a) to keep a promise, and (b) to permit people to live in maybe a little more dignity than they would if they were dealing with strangers for this particular service that is provided to them.

Mr. Speaker, the issue really is: Did the government promise large and deliver small? Most people would prefer somebody, including government, and in particular political parties, who promise small and deliver large. In this case the government made a large promise, there is a small commitment.

I know government has already made some very small steps toward it, but while people are

waiting time is passing and there is no reason that this could not be implemented. The appropriations already sought in this year's Budget will certainly be passed. So, Mr. Speaker, this is a simple request. Do it now, because you promised it.

Thank you, Mr. Speaker.

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

MR. KING: Mr. Speaker, I move, seconded by the Minister of Environment and Conservation, that we move to Orders of the Day.

MR. SPEAKER: It has been moved and seconded that we now move to Orders of the Day.

All those in favour of the motion, 'aye'.

SOME HON. MEMBERS: Aye.

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

Motion carried.

Orders of the Day

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

MR. KING: Mr. Speaker, I call Order 3, second reading of a bill, An Act to Amend the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act. (Bill 1)

MR. SPEAKER: When the debate finished yesterday, I think the Member for Mount Pearl South was the last person to speak to the motion.

The hon. the Member for St. Barbe.

MR. BENNETT: Mr. Speaker, this is an important piece of legislation. It is a piece of legislation that I have no doubt will receive uniform support from all sides of the House. Eventually, there may well be amendments sought because what we are looking at here is

for safety for offshore workers. Safety for offshore workers is very important.

This looks at people who are involved in the petroleum industry which employs a large number of people in our Province and which is the cash cow that has permitted government to be able to do the things that it has done in the last half-dozen or more years. When we look at offshore safety, Mr. Speaker, people in this Province have taken really huge risks with life and limb over the last 400 or 500 years since we were discovered by Europeans. Undoubtedly, even people before Europeans took significant risks in earning a livelihood.

We are the Province that experienced the great sealing disasters, where we lost hundreds of people on the ice. We are the people who go out to sea in small boats, in bad weather, huge waves, to extract and to prosecute a living from the ocean.

Mr. Speaker, many of the elements of what makes us who we are is the fact that a lot of our industry is competitive. The fishery is a competitive industry – if one fisherman catches one fish, another fisherman does not catch that fish. We see it today in all sorts of search and rescue issues. For example, if it is a competitive turbot quota, if one fisherman puts to sea and catches that quota or part of that quota, and somebody else does not put to sea because the wind is too high, the weather is not so good, then that person loses out.

Historically, we have always known what it is like to risk life and limb in order to make a living. That has taken on a new light in dealing with the offshore, because when the Ocean Ranger went down we knew what that was like with the deaths of eighty-four people. Somebody from the Ocean Ranger was known to practically everybody in this Province, and if not, one of the people who died on the Ocean Ranger, one of their family members.

There were discussions and talks about pushing safety, and pushing and pushing to extract profit. It is one thing when the individual willingly goes on the water and takes a risk and takes a

chance in order to earn a livelihood and maybe do a little bit better than the next person in the cove, or in the harbour, or in the bay, but it is quite another thing when you have somebody sitting in an office giving orders to somebody else saying: You go risk your life, you risk your limb, you be away from your loved ones because we want to make profits. Mr. Speaker, it is ever more important that we have appropriate regulation and strong regulation that really protects our workers who are working in the offshore.

Yesterday, the Minister of Natural Resources was speaking and spoke at length about how we came into being with the offshore resources. I would like to add to that part of the commentary because he spoke of the legal challenge that ended up with the offshore oil resource belonging to the people of Canada. Well, Mr. Speaker, it belongs to the people of Canada through the federal government but we also are the people of Canada.

We are the people of Newfoundland and Labrador but that does not make us any less Canadian. In fact, in many ways it may make us more Canadian because we chose to join Canada and Canada for any other living Canadians certainly evolved. There was nobody around from 1905, which was the last province to come in before us. We chose Canada, we chose to join. We are content with the offshore ruling with natural resources, with oil and gas, in that offshore decision.

Mr. Speaker, there is another offshore decision which does not go so far offshore, and that too is a Supreme Court of Canada decision. I hope that our government, no matter which party it is led by, will take another look at who has the entitlement to the resources out to the three-mile limit. Out to the three-mile limit means out to the headlands, to all the points, then out three nautical miles and all the way across. All of these inland waters, by another Supreme Court of Canada decision, clearly belong to the people of the Province of Newfoundland and Labrador as much as if they were on dry land.

Mr. Speaker, that is why in one way it troubles me somewhat when we talk about drilling in the Gulf of St. Lawrence and when we talk about the horizontal drilling, and ultimately the fracking that likely will take place. Why the C-NLOPB has any application in that discussion is beyond me.

It is my view, Mr. Speaker, that clearly those are provincial resources caught within the territorial sea of three miles that we brought to Canada as a dominion when we joined. When we joined we were a fully autonomous dominion, the same as Canada was a dominion, the same as Australia was a dominion, and the same as New Zealand was a dominion. We came not as a colony and not as a possession of somebody else, but as our own dominion. We brought those resources with us.

Mr. Speaker, that Supreme Court of Canada decision says that out to the three-mile limit it is clearly provincial. That means we need to make sure that –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Verge): Order, please!

MR. BENNETT: – we appropriately manage that part of the near-shore and the onshore resources.

Mr. Speaker, this bill that is proposed is something that in my view, although it is necessary, is pretty feeble. It is a feeble piece of legislation compared with what is available in the world today. If we look at another regime for offshore regulation, in some instances we have looked at Norway, but most importantly we look to Australia. If we look to Australia, we will see that the Australian offshore is much, much larger than ours.

The Wells report in article twenty-nine or paragraph twenty-nine, which my colleagues have dealt with, called for a different regulator, a newer national regulator. This is not contemplated in this legislation. Mr. Speaker, to show you how far behind we are with this legislation, in 2005, four years before the

Cougar crash, Australia had that legislation. Australia already had that legislation.

Mr. Speaker, if the Australians already had that type of legislation and Australia is very similar to Canada, even though they call it the Commonwealth of Australia it was still a dominion; and even though they call their federation states instead of provinces, there is no doubt that it is pretty much exactly the same as Canada is in composition. By comparison to where we are and Australia is, if we look at simply in sheer size, the Australian offshore covers approximately thirty platforms, fifteen FPSOs and FSOs, ten MODUs, ten vessels, and ninety pipeline facilities. Compared to what we have, the Australians are doing a much bigger job.

The legislation they passed in 2005, which was four years before the Cougar crash, the legislation that we are shying away from today, the legislation which should in my view entrench the Wells recommendation – and the Wells recommendation was made within a year and a bit after the Cougar crash. If we were to get up to where Australia was in 2005, which is eight years ago, we would have something similar to their offshore petroleum safety authority which was established “to regulate the health and safety of workers on offshore facilities in Commonwealth waters, and in waters where State powers had been conferred.

Mr. Speaker, what we are looking at today is introducing legislation that will have the similar aspects of the Australian legislation that was introduced eight years ago, but we will not have a national regulator. Where are the Australians today in this instance? In the beginning of 2012, they upgraded that legislation. That legislation they upgraded at the beginning of 2012. They have an individual who at that date was Jane Cutler, the chief executive officer of NOPSEMA. NOPSEMA is the National Offshore Petroleum Safety and Environmental Management Authority.

The Australians today, starting from a year ago, not only do they regulate offshore health and safety, they also regulate the environment. The

Australians, eight years ago, came further than we plan to go today because we do not want to have a national regulator. Since then, they have upgraded and improved their legislation over the past eight years to have national health and safety, and also to have national environmental regulation.

Mr. Speaker, what would it mean if we had national regulation? If we had national regulation today, that cargo vessel that is not far from Change Islands with 3,400 barrels of oil in it, with a crack in the hull that is leaking out into the ocean, and jeopardizing our wildlife and our fishing industry, that could easily be caught with the type of legislation, if it were a joint endeavour between our provincial government and the federal government.

We hear that oh, this took fourteen years to put together this package because they had to have the agreement of the Nova Scotians and the feds. We do not need the agreement of the Nova Scotians to deal with our offshore with the feds, when Nova Scotians have little to no application over there. They can have their own deal with the feds; we can have our deal with the feds.

Mr. Speaker, how can it possibly take fourteen years to put together a piece of legislation that will bring us not quite as up to date as the Australians were eight years ago? The Australian legislation is there to compare; the Australian legislation is there to contrast.

Mr. Speaker, it is not for want of representation by particular interest groups. Various interest groups have very big concerns about the health and safety in the offshore. In the Wells inquiry representations and submissions were made by the Newfoundland and Labrador Federation of Labour.

The Newfoundland and Labrador Federation of Labour said and recommended – and they seemed to be somewhat pleased with this legislation, maybe without realizing how much further it should go. Their recommendation number four said that the language in the proposed legislation be as strong as possible including the use of words such as administer,

enforcement, inspect, and investigate; to do otherwise than to use words such as compliance and examine (inaudible) self-regulation.

The Newfoundland and Labrador Federation of Labour made this recommendation three years ago and this is coming in the wake of the deaths of seventeen people in the Cougar Flight 491 crash and that was years after the Ocean Ranger, so we certainly should have had enough motivation.

The recommendation number six, which is also a critical recommendation of the Newfoundland and Labrador Federation of Labour, is that we recommend it to ensure the right to know and participate by giving the support they need to be real rights in the offshore workplace, that full-time paid health and safety representatives are in place and on duty at every work rotation.

Mr. Speaker, the representation in the organized labour of the people who work in the offshore were making these recommendations three years ago. Justice Wells made the recommendation in the Wells report that there should be a national regulator, and he went to great lengths to say that within his terms of reference because, clearly, you cannot go outside of your mandate. He called the C-NLOPB to make a request or to ask both levels of government to go together on a national regulator. Having a national regulator improves the chances of more compliance and better compliance.

The types of things that he said, "It is recommended that a new, independent, and stand-alone Safety Regulator be established to regulate safety in the C-NL offshore. Such a Safety Regulator would have to be established, mandated, and funded by both Governments by way of legislative amendment, regulation, or memorandum of understanding, or other means." He is practically pleading in his report saying you need to do this. I do not really care what you call it or how you put it together, but do it because it needs to be done.

He also said, "It is further recommended that if, for any reason, it may not be feasible at this time to do as recommended in 29(a) above, both

Governments consider the enactment of regulations, or a memorandum of understanding, or such other mechanism as may be suitable, to do as follows". Mr. Speaker, regulations are sub-statute. Regulations can be agreed upon by both levels of government, at a ministerial level, at a Cabinet level, and it can simply be done.

The regulations he had in mind were to "create a separate and autonomous Safety Division of C-NLOPB, with a separate budget, separate leadership, and an organizational structure designed to deal only with safety matters. A suggested design for such a Division is to be found in the Observations chapter of this Report."

He also said, "establish, to support the full-time leadership and staff of the Safety Division, an Advisory Board composed of mature and experienced persons fully representative of the community and who are unconnected with the oil industry." Mr. Speaker, what a startling recommendation to say not only should you have an independent national regulator, you should have somebody who has no vested interest in the financial outcome, but somebody from the community who has the best interests of the safety in the offshore.

He said, "The Advisory Board would not be expected to contribute expertise in aviation or other specialized fields. Its role would be to give mature" – and he keeps on saying mature – "and balanced advice and support to the leadership of the Safety Division, its officers and staff."

He said to "ensure that the Safety Division would have the mandate and ability to engage, either on staff or as consultants, expert advisors to assist it in its regulatory tasks. (iv) ensure that the powers, duties, and responsibilities of the Chief Safety Officer be transferred to and incorporated in the new Safety Division."

He said under his "... Terms of Reference, I cannot recommend directly to Governments" – that was not his job – "and so this Recommendation 29 is being made to C-NLOPB, which has as part of its role the

delegated responsibility to advise both federal and provincial Governments on offshore safety governance.”

His “...recommendation is therefore that C-NLOPB itself recommend to both Governments the changes to the regulatory regime which...” he had recommended.

Justice Wells, who was commissioned to do the inquiry following Cougar, said this needs to be done. Years later the government is coming along, and not only are they not doing this, their legislation is so weak, is so puerile, is so childlike that we have not quite caught up to the Australians from 2005. By way of analogy, by of comparison, Mr. Speaker, if the Australians were on a ten-speed bike in a road race, we would be coming along on a tricycle with this legislation trying to catch up with them.

I think the people of this Province deserve better than this from this government. Clearly, they should be able to beef up this legislation a little bit, give us a national regulator, really put the health and safety of people working in the offshore foremost, and then get moving immediately on an environmental package that would go with it so we can at least catch up to where the Australians were a year ago.

Thank you, Mr. Speaker.

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

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Thank you, Mr. Speaker.

It is a pleasure to rise in second reading of Bill 1 today to participate in what is an important debate. I am pleased that the Member for St. Barbe acknowledged the importance of this piece of legislation. It is a complex piece of legislation.

I take exception to the member’s comments that this is a feeble piece of legislation. On one hand, I am pleased to hear him say that it is likely that all members of this hon. House will

support it, but I am disappointed to hear him suggest that it is feeble, to use his word. We are talking about a piece of legislation that is rather comprehensive. We are talking about bringing together multiple jurisdictions, and ultimately, we are talking about creating a safer environment for our workers in the offshore.

I want to begin just with a few reflections on the comments from the Member for St. Barbe, who talked extensively about the Wells inquiry, and specifically Recommendation 29. Let me be very clear, Mr. Speaker. On this side of the House, we support every single recommendation that came out of the Wells inquiry, including Recommendation 29.

SOME HON. MEMBERS: Hear, hear!

MR. KENT: Recommendation 29 calls for an independent offshore regulator. We have been calling on the federal government for just that because we believe it is the right thing to do and we support Commissioner Wells’ recommendations. At every opportunity that the Premier has had, that ministers in this government have had, we have been calling on the federal government to implement Recommendation 29.

We are pleased that twenty-eight of the twenty-nine recommendations have been implemented, but we do believe the call for an independent offshore regulator is absolutely the right one, and it is one that we will continue to advocate for. In fact – I said it to a couple of my colleagues late last week – there is probably no family in this Province that has not been touched by one of the tragedies that has occurred in the offshore, be it the Ocean Ranger disaster, or the Cougar Flight 491 tragedy. These are major disasters that have impacted just about every family in Newfoundland and Labrador.

We have such a connection to the sea here. As a government, that is why all members of this House consider issues related to search and rescue so important, issues related to safety in the offshore so important. That is why I am so pleased to have an opportunity to participate in this debate today.

For the member opposite to suggest that somehow we would not support Recommendation 29, nothing could be further from the truth. We will continue to advocate for that. In the meantime, we do believe this is a very comprehensive piece of legislation that has been a long time coming.

It is national – I believe throughout North America, actually. It is Occupational Health and Safety Week. I am pleased the Minister of Service NL has been doing numerous things to commemorate that occasion this week.

In my own department, the department I work in these days, Innovation, Business and Rural Development, I am receiving messages on a daily basis from employees who are actively engaged in the work of occupational health and safety within our department. I know that is going on throughout government and throughout North America this week. So it is a really appropriate time to be addressing what is a very important piece of legislation.

There is great benefit to developing our natural resources offshore. There are jobs created. There is huge economic benefit. It is generating huge wealth for people in this Province, but we are very cognizant of the fact that we need to do so in a responsible way. We need to do so in a very calculated way. We need to do so in a very safe way. The safety of those women and men who are working in that environment has to be paramount at all times.

When we talk about developing comprehensive offshore occupational health and safety regulations and putting a regime in place that continues to address the needs of workers in the offshore, there are a lot of things to consider. Important things like safety inspections; accident incident investigations; occupational health and safety committees; ensuring that the right kind of safety training and an appropriate amount of safety training is available for workers in the offshore.

We need to make sure that in all work environments, onshore or offshore, everywhere, that there are appropriate emergency

preparedness plans in place; that there is an appropriate level of new employee orientation to address health and safety; that employers have a proper safety auditing system in place; and that employers have preventative maintenance programs in place. All of these things are essential.

What we are trying to do here is ensure that these occupational health and safety regulations, that an appropriate occupational health and safety regime exists within the Atlantic Accord, which is why these amendments are necessary at this time.

What we are doing through this act is amending the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act. There are actually amendments required to the Atlantic Accord to do what we are talking about in this bill.

There is a safety regime in the offshore now, of course. There are rather extensive regulations related to safety in place in the offshore currently. There are safety provisions in the Accord Acts that provide autonomy of the chief safety officer from the C-NLOPB to exercise certain powers respecting offshore operations.

There is an MOU to give the C-NLOPB safety officers authority to administer key provisions of the provincial Occupational Health and Safety Act. Those principles, which are well known to many members of this House, include the right to refuse, the right to know, and the right to participate.

We also currently have draft occupational health and safety regulations and contractual terms and conditions of work authorizations in place. What we need to do is come up with a single, comprehensive legislative framework to eliminate this approach that we currently have with multiple jurisdictions, multiple regulations, and multiple pieces of legislation involved.

This legislative framework that is proposed here incorporates key elements of standard OHS policies and principles, but it also reflects joint governance between the federal and provincial

governments in the offshore. We need to embed this occupational health and safety regime right into the Atlantic Accord, which is what we are attempting to do through Bill 1.

This process started a number of years ago. It is rather complex and it has taken considerable effort from the Government of Newfoundland and Labrador, the Government of Nova Scotia, the Government of Canada, working with the Canada-Nova Scotia Offshore Petroleum Board, and working with the Canada-Newfoundland and Labrador Offshore Petroleum Board.

We have multiple jurisdictions that are involved because we identified a flaw in the Atlantic Accord essentially that did not allow us to bring in the occupational health and safety regime that makes more sense than the current regulatory environment we find ourselves in.

These regulations that we are talking about will not only apply on oil rigs. They will not only apply on vessels. They will also apply as workers are travelling to and from work on these vessels or on these rigs. That is important to note as well. We are simply creating a regulatory framework and comprehensive occupational health and safety regime within the Atlantic Accord to protect those who are working in the offshore environment.

My colleague almost had an incident himself, spilling his water, but he seems to be okay. He is recovering well, and he is onshore at the moment, Mr. Speaker – we think.

Mr. Speaker, as a government we are very committed to offshore safety and we support the creation of a comprehensive, legislative OHS regime for the Province's offshore. We are pleased that the extensive collaboration has gone well, and I understand that legislation is also being tabled by the Governments of Canada and Nova Scotia. We have to do everything we can to protect the individuals who are working offshore.

I know that the amendments we are proposing here are tailored to the offshore working environment and they include things like a

worker's right to refusal, a worker's right to know, and a worker's right to reprisal protection for raising health and safety concerns. It also includes joint allocation of responsibility among operators, employers, workers, and suppliers on all matters related to health and safety.

The new occupational health and safety regime that is proposed by the amendments that we are debating here today, they apply to workers in transit to and from offshore platforms, as I have said. Actually, the federal Transport Minister will now be required to sign off on regulations for the application of the occupational health and safety regime to workers in transit and the operator will continue to be responsible for passengers as well.

I really think we are going to end up with a situation where we have streamlined regulations and simplified occupational health and safety framework for the offshore.

In the few minutes I have left, I would like to also touch on what specifically these amendments will do. They will place authority and fundamental principles of OHS within the Accord itself, as I have said. They will also clarify the roles of the various parties involved, which I think is really important as well. They will clarify the roles and responsibilities of regulators, employers, employees, governments; and, in fact, the provincial Labour Ministers and the federal Minister of Natural Resources, in consultation with the Ministers of Labour and Transport Canada, will develop regulations for offshore occupational health and safety while our offshore petroleum boards will administer the new legislation. These amendments will also grant those offshore petroleum boards the authority to disclose information to the public related to occupational health and safety.

From a transparency point of view and from an access to information point of view, we certainly support the move to ensure the boards have the authority to disclose information to the public when it comes to safety and the health of our workers in the offshore. I think it is really positive that these amendments will ensure that the new regime also applies to workers who are

in transit to and from our platforms, and would require the federal Minister of Transport to recommend regulations related to OHS for those workers.

Another thing these amendments achieve, Mr. Speaker, is provide clear and specific enforcement powers for Occupational Health and Safety officers, including the powers of investigation, the powers of inspection, warrant provisions, and order measures in case of dangerous situations. I think these are absolutely positive steps forward.

As the Member for St. Barbe said, it would not surprise me at all if everybody in this House supports this important piece of legislation. It makes sense. It has been a long time coming. It shows what is possible when various levels of government and various authorities work together. It also demonstrates our commitment to ensuring that all those workers who work in a very harsh environment in our offshore have the safest environment possible to conduct that important work.

That is why I am very pleased to have this opportunity, Mr. Speaker, to rise and speak briefly in support of Bill 1.

Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The Member for St. John's East.

MR. MURPHY: Thank you, Mr. Speaker.

I think with this piece of this legislation we are at a bit of a turning point. It has been a long time coming. One of the things I had to make note of, of course, when the government first came out with the piece of legislation and introduced it was a federal release on the matter. Let me just read one paragraph here:

“Today's announcement is a result of our extensive collaboration with the provinces to protect Canadians working in the offshore oil and gas industry – a sector vital to jobs and our

economy,” said Minister Oliver. “The proposed amendments introduce measures that will further enhance Canada's offshore industries' ability to operate safely and to the highest environmental standards.”

That was on May 2 of this year that they put out this announcement, of course. Again it reiterates the fact, as the Natural Resources Minister said the other day; it was a long road to get here. I keep asking myself why it took so long, fourteen years from start to finish on this particular piece of legislation. What the problem was, I do not know. What the work was that went in behind it, I do not know. Still it was fourteen years, and fourteen years too long.

We can go back to our history, of course, of accidents in our offshore, and other members have already talked about it. I guess in some regard these are ingrained in our history and ingrained in our culture as a result. Everybody remembers, of course, the most recent accident of Cougar 491.

People would remember the helicopter accident, as well, in Placentia Bay that happened several years ago. I think it was back in the 1980s. Six or seven men and women died in that particular accident when it left in Placentia Bay. Everybody remembers the Ocean Ranger. As other members have already said, we get up and we state the case for occupational health and safety, remembering those people we lost, Newfoundlanders and Labradorians, people from the mainland who came and pioneered the resource.

I remember in particular one gentleman, we used to hang around with in high school, Mr. Craig Tilley, who was lost on the Ocean Ranger. He had quite an impact on our lives back in high school. He was part of the culture of the early years of drilling in the Province. It was, to me, representative of what can happen when things get out of control and things get out of hand.

You do not have sometimes, I guess, enough education. Sometimes we are younger and maybe we ignore some warnings that are out there, unlike some people who were out there on

the rigs that left it because they recognized the dangers of working offshore. It is for this reason we all get together, and we have to talk about an important piece of legislation like that. It is in their memory that we do this, and it is incumbent upon us to make sure this legislation is going to work.

From what I see in this particular piece of legislation, there are a lot of things there that are going to work and we support the government move in that regard. The only thing that was missing in this piece of legislation, that I think we all agree on, is the simple fact of having occupational health and safety separate under Recommendation 29 in the Wells inquiry, to have that separate safety authority there.

Failing that, however, we should always be pressing for that. Of course, others have expressed the reasons why. I think it was Justice Wells himself who said at that particular time that we may never be able to get there, to have that board in place, but this would be the next best thing to it.

Speaking to this piece of legislation, too, it is important to note. I think some people would probably have some insecurity as regards to this legislation. In particular, my thinking would be in knowing that I have talked to a few people who have been put in this situation. This industry can be intimidating for somebody who is new into the scene. I think newer employees would probably face more pressures than people who have been in the industry for several years.

I just want to make some comments as to some of the mechanisms that are built into this piece of legislation as regards to the powers of enforcement. I think it is important to note what this piece of legislation is actually doing to protect workers at the same time, who would be making the call whenever there is a problem on the offshore or with the helicopter ride, or whatever particular part of the industry they are working in. It could be one of the supply vessels or whatever.

When it comes to that, there are protections in there as regards to false statements of

information that can be made. There are also sections in there that deal with obstruction. There are also sections in there that deal with, for example, warrants and the taking of samples for anything that might go wrong, or the acquisition of evidence.

As well as that, the particular sections that would be most interesting I think to the workers out there would be this particular section under 201.82. I think it is very important again to reiterate this section to those people out there who are going to be making the majority of the calls when it comes to occupational health and safety. These are their rights for the workers and these are their protections.

Under 201.80, "A person shall not prevent an employee from providing to a health and safety officer or to the board, or to a person or committee having duties or functions under this Part, information that they may require to carry out their duties or functions."

We go from that particular section to 201.82, "An individual to whom information obtained under this Part is communicated in confidence shall not disclose the identity of the individual who provided it except for the purpose of this Part, and an individual who obtains that information in confidence is not competent or compellable to disclose the identity of the individual who provided it..."

I think that is a very important section here that needed to be talked about. If we are talking about protecting people from reprisal and where the agency, the chief information officer if you will, has his information to investigate, it makes it harder for the company or the service in question in order to come down on that worker. I like that part of it, that there is a degree of protection there for that particular worker who makes that initial report. At least that is my interpretation of it, anyway.

I just want to reiterate some of the things that are in there as regards to this particular amendment to the Atlantic Accord Implementation Act. We support these measures that are brought in here. The people we consulted with are very receptive

to this. With the exception of not having that separate agency, this is pretty good. This is valued support, of course, supporting the workers who are out there.

It is incumbent on us to have made changes to this act. Again, while it was a long time coming, we commend the government for coming forward with these changes. In the next couple of years we are talking about flying out a little bit farther. We are also talking about drilling a little bit deeper. We all know what can happen with accidents on the offshore when we drill a little bit deeper. We have the example, of course, of the *Deepwater Horizon* in the Gulf of Mexico that was drilling in about 2,800 metres of water. The rig went up and we lost some people down there.

We know accidents can happen very easily, of course, with the various resources out there. When you are dealing in areas where you have never drilled before, we are going into undiscovered country here, if you will, undiscovered ways of exploration, and in some ways untried when we are talking about the Orphan Basin. We are talking about going very deep. It is now, more than ever, more important to have the protective measures in there in case something is seen to possibly go wrong out there.

The eyes and ears of the people who are working out there are going to be the ones who are probably going to be doing the reporting on this. It is incumbent on them to do so for the protection of their fellow working man or working woman who is out there working off our shores. As regards to the culture of making a call, again, I touched on that. Of course, I like the protectionist mechanisms that are there.

How important is this as regards to the importance to the Newfoundland and Labrador economy? I think it is pretty clear that government had to do this. As we go farther along, the numbers are there certainly. If it was based on that alone, the numbers of people who are working in our offshore needed this. It is an industry that has great importance to the Province's bottom line.

The Hibernia field, for example, generates about 1,618 people who are working out there on that project, and we have other projects. Of course, the numbers should not be strange to government. There are 1,491 people working on the White Rose project. We can go on through exploration, the Mizzen field. We are a growing industry and we do need the protections there.

As regards to one thing, as well, that I wanted to have a little thought about, if you will, or a couple of thoughts about, is the fact of night-time flying because I think that was touched on in the Wells report and by the employees who are out there. There is some fear, some concern, over night-time helicopter flights.

Again, I think that the oil companies that are out there exploring offshore can go ahead and fly a little bit more, if you will, particularly during winter months when the daylight hours are shorter, merely with the additional of an extra helicopter or so. Now that might sound like it is a big expense to an oil company, but it should not be in the context, say, for example, if you are talking to ExxonMobil, who in the last quarter made \$6.2 billion I think it was, over the last three months.

Money, as regards to a person's safety and as regards to getting the work done, I do not think is an object here. What I think is happening here, I can understand their reasoning for securing their bottom line for the shareholders, absolutely, but the safety of employees should be first and foremost on people's minds whenever we are talking about these helicopter night flights.

Of course, it was Wells again, in his report, who talked about the fact that out of all the accidents that happen out there, you have a 39 per cent – how shall it put it? The survival rate, I should say, is about 39 per cent against a 70 per cent survival rate when it comes to daytime flights.

We know that the waters out there are very cold. The next obstacle that we have when it comes to rescuing anybody, if anything happens, for example, on an offshore helicopter flight, happens to be night. It is a barrier. It can be

overcome with a little bit more investment on the part of the oil companies out there and the accusation of helicopter services, we can get them to do this at the same time.

There is no doubt that there is a case there already to be made for the addition of helicopter flights. We know that during the summer the helicopter flights can occur more, but again during the winter, with the addition of an extra couple of helicopters, they can get the same work done; they certainly can. As far as I am concerned, when you are talking \$6.2 billion that they made in the last quarter, it would be at very little expense. I will leave that there, but again there are ways around that.

Mr. Speaker, I am pleased to say that I have read over this legislation. I have talked to people on this. It seems to be very good to all who are concerned out there. It is a good move on the part of government and on the part of the federal government. Again, the wait was fourteen years, but it has been a long time coming. We support the government with this particular motion.

At the same time, we will continue. As well as the provincial government will continue, we also will continue over here on this side of the House to make sure that we keep pressing for that safety authority out there, that separate occupational health and safety authority out there to look after the needs of the workers offshore.

Thank you, Mr. Speaker.

MR. SPEAKER: The Member for Humber West.

SOME HON. MEMBERS: Hear, hear!

MR. GRANTER: Thank you, Mr. Speaker.

It is indeed a privilege to stand today and take a few moments to speak to Bill 1. I believe it is also an appropriate time this week at the beginning of North American Occupational Health and Safety Week 2013, Mr. Speaker, to be debating this bill here in the House. I had the

opportunity yesterday, as others did in the House, to be out front for the flag raising with the Minister of Service Newfoundland and Labrador. It was a great flag raising yesterday afternoon.

Over the last while, Mr. Speaker, I have had the opportunity a number of times to stand in this House and debate issues with people across the floor that are of necessity and importance to the people of Newfoundland and Labrador. I want to stress today that Bill 1 is absolutely critically important to the people of Newfoundland and Labrador, especially those who make their living from the offshore. As the Minister of Natural Resources said yesterday, the health and safety of all Newfoundlanders and Labradorians, especially those working in the offshore, is absolutely paramount.

Newfoundlanders and Labradorians, Mr. Speaker, for hundreds of years have been etching a livelihood from the sea. They have been doing it, Mr. Speaker, in a climate that is the harshest in the world: high winds, sleet, fog, ice, and rogue waves just to name a few. Our people, the people who work offshore, need to be protected. That is what Bill 1 is introducing here in the House of Assembly today.

The act is to amend the Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act. This act, Mr. Speaker, is substantive, both in content and size, all 117 pages in length. It is a culmination of much work and effort over the past fourteen years. It is important to talk about what this act is. It is also important to talk about what this act is not, by placing it in content, in context, in perspective, and in time and circumstance in response to a question from the Member for St. John's East.

Mr. Speaker, does this government want a regiment that is strong and protects the safety of workers, a regiment that protects all Newfoundlanders and Labradorians and all workers in our offshore? This is coming from someone who has family and friends who for years have been making their livelihoods from the sea. All members of this House on all sides I

do believe, from all political colours, have been touched by the enormity and strength of the ocean and it has been referenced here in the House over the last couple of days. It is paramount, I believe, that we all support this from all sides of the House and that we have a unanimous vote in the positive on this bill today.

Mr. Speaker, this act is extremely extensive. They are the result of extensive collaborations between the Government of Newfoundland and Labrador, the Government of Canada, the Government of Nova Scotia, the C-NLOPB, as well as the C-NSOPB out of Nova Scotia. In addition, consultations with various stakeholders during the development of these amendments occurred. They were conducted in 2002, 2003, and again in 2010 as was illustrated yesterday by the Minister of Natural Resources. A discussion paper out of those talks was generated and developed. Written comments were solicited from all stakeholders.

People will ask what it is these amendments do, Mr. Speaker. Well, these amendments today will provide a clear and enforceable regime and provide appropriate regulatory making powers in offshore petroleum occupational health and safety.

The process to get to where we are today took many, many years. They began long before Commissioner Wells' study and the report he presented, Mr. Speaker. I want to go on record here today, as did my colleague from Mount Pearl North and others did earlier, that we support the recommendation of the Wells inquiry, all twenty-nine of those recommendations. As was talked about here in the House a number of times, twenty-eight of the twenty-nine have already been implemented here in the Province, and we support the inclusion of all of them.

This government continues to advocate, as was mentioned in the House by the Premier last week and the Minister of Natural Resources yesterday, for a stand-alone, independent safety regulator with the Government of Canada. Even in this report, he highlights and says he was aware of the work at that time taking place

between the Government of Newfoundland, the Government of Canada, Nova Scotia, the C-NLOPB, and the C-NSOPB; and that this work that we are taking place that led to Bill 1 here in the House of Assembly this week, Mr. Speaker, was taking place and was recognized by Commissioner Wells.

It is important for all of us to remember, and all Newfoundlanders and Labradorians to remember, Mr. Speaker, this legislation today, and I think it is recognized by all parties here in the House, does not and will not compromise a new safety regulatory entity. This bill is comprised of standard occupational health and safety principles and practices that would complement future legislative changes.

The amendments, Mr. Speaker, that are included in Bill 1 will provide a clear and enforceable regime and provide appropriate regulatory making powers in offshore petroleum operations. This will be achieved by putting authority for occupational health and safety into legislation governing the offshore petroleum boards. That is what Bill 1 does. This bill, Mr. Speaker, provides clear and clean legislation. I think that is important; it is clear and it is clean legislation from a number of sources on a comprehensive, legislative regime for occupational health and safety standards for workers in our offshore.

The new legislative regime discussed here in this House today will provide government with the necessary mechanism, Mr. Speaker, to act on occupational health and safety related matters. These mechanisms, for example, include the initiation of audits, inquiries, and the creation of a provincial advisory council to speak to occupational health and safety issues.

Mr. Speaker, I just want to take a moment out of the 117 or 118 pages to refer to section 201.114 on page 107 which talks about the advisory council. This is important and I think it is a very friendly piece in the Act, Mr. Speaker, with regard to this section for the safety of workers in our offshore. I just want to take a minute or two to go down through that section, 201.114 on page 107.

It talks about the establishment of this advisory council, Mr. Speaker, “(a) 4 representatives of employees and 4 representatives of industry; and (b) 2 representatives of the Government of Canada and 2 representatives of the government of the province”.

“(2) In addition to the representatives appointed under subsection (1), the chief safety officer or his or her representative shall be a non-voting of the advisory council. (3) Two employee representatives and 2 industry representatives shall be appointed jointly by the provincial minister and the provincial minister defined in paragraph 2(t) and the other 4 shall be appointed jointly by the federal counterparts of those ministers.”

What is important, Mr. Speaker, or at least what I see as important in this particular section, “(4) Before making an appointment referred to in subsection (3), the provincial minister and the provincial minister as defined in paragraph 2(t), or his or her federal counterparts shall consult with non-management employees, or the unions representing them, on the appointment of an employee representative and with industry associations on the appointment of an industry representative.”

It goes on to say, “(5) The provincial government representatives shall be appointed jointly by the provincial minister and the provincial minister as defined in paragraph 2(t)...”. Mr. Speaker, this advisory board is a good step forward and, as I said earlier, is worker friendly.

The C-NLOPB has the responsibility to ensure that all offshore activities and decisions, Mr. Speaker, under its regulatory mandate are carried out in a manner paramount to the health and safety of offshore workers. Every member in this House and everyone in this Province believe in that earnestly.

Mr. Speaker, important to all of us to remember is that the C-NLOPB are required to apply the provisions of the Atlantic Accord and the Atlantic Accord Implementation Acts to all activities – and I stress, all activities, Mr.

Speaker – and all operators in the Newfoundland and Labrador offshore area, and to oversee operator compliance of these statutory provisions. That is a good thing, Mr. Speaker.

Mr. Speaker, this act allows for a special safety officer; it is an important piece. The chief safety officer, known as the CSO in the act, may disclose information with respect to occupational health and safety, may disclose information to government officials, both here in Newfoundland in Canada, and also internationally, agencies, a foreign government, if the interest of health and safety is compromised, Mr. Speaker. It cannot be kept secret, and that is an important statement for all workers in our offshore.

Officials of the federal government, Mr. Speaker, and its agencies, may also disclose information from this officer for health and safety reasons. No person, Mr. Speaker, under this act shall be prevented from providing information to the CSO or a health and safety officer, in carrying out their duties for the safety of the people in our offshore.

In addition, Mr. Speaker, the CSO may direct the sharing of certain information related to worker health and safety. This act today, Mr. Speaker, is tailored specifically for the safety of workers in their offshore – and that is what is important about this; it is tailored specifically for the safety of our workers in the offshore. They are extensive, and have taken, as I said earlier, many years to get here. When we read the act, we will see standard features of all Occupational Health and Safety Acts, Mr. Speaker, both onshore and offshore, and best practice, both onshore and offshore too, Mr. Speaker.

These include, as was mentioned yesterday, I do believe, by the Minister of Natural Resources, and it makes no difference if they were onshore or offshore: a worker’s right to refuse to perform unsafe work; a worker’s right to know the risk associated with that work; a worker’s right to participate in the health and safety committees; a worker’s right to reprisal protection for raising health and safety concerns. Mr. Speaker, for

those following along, that is on page 74 of Bill 1.

Mr. Speaker, this act covers and applies the new occupational health and safety regime to all workers in transit – as my colleague from Mount Pearl North mentioned earlier – to and from offshore platforms; required under law that the federal Minister of Transport will now be required to sign off on regulations for the application of the occupational health and safety regime to workers in transit to and from the offshore.

Under joint management, Mr. Speaker, Bill 1 recognizes the management of Newfoundland and Canada in its offshore. Provincially, Mr. Speaker, the offshore board will report to the Minister Responsible for Occupational Health and Safety, that being the hon. Minister of Service Newfoundland and Labrador, in respect to these new legislative requirements. The provincial Minister of Natural Resources retains the responsibility for all other matters under the Accord.

Federally, Mr. Speaker, the federal Minister of Natural Resources retains responsibility for the entire Accord act with advice, policy, and direction from the federal Minister of Labour regarding occupational health and safety components. It is important to remember that Transport Canada still remains the regulator of passenger craft, either air or marine, transporting workers to and from our offshore.

Mr. Speaker, I just want to take a minute or two to talk about the workplace. Under this act, the workplace in relation to a work or activity for which an authorization has been issued means any marine installation or structure where an employee is employed; any work boat operating from a marine installation or a structure that is used by an employee to perform routine maintenance or repair work in our offshore; any dive site from which a diving operation is conducted; and four, any underwater area where a diving operation is conducted by an employee.

Mr. Speaker, I just want to take a moment to talk about some accountability issues. The offshore

board, the C-NLOPB for Newfoundland are responsible for administering the legislation, including the occupational health and safety on behalf of both the federal and the provincial governments. The provincial Minister Responsible for Occupational Health and Safety, in this case as I said earlier Service Newfoundland and Labrador, and the federal Minister of Natural Resources will be jointly responsible for a designation of the occupational health and safety officers.

Mr. Speaker, it is important to note and important for all involved in the offshore is that this legislation allows the provincial Minister Responsible for Occupational Health and Safety or the federal Minister of Natural Resources to call for an audit or inquiry into activities of the C-NLOPB in relation to occupational health and safety. I just want to take the last moments that I have left just to refer to section 201.115, and that is on page 109 in the bill.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. GRANTER: Section 201.115, “The federal minister or the provincial minister, or both, may appoint an individual as auditor to measure and report on the effectiveness of the board in carrying out its duties and functions under this Part.”

Under subsection (4), “The auditor may examine an individual on oath on a matter pertaining to the effectiveness of the board in carrying out its duties and functions under this Part and, for the purpose of an examination, may exercise all the powers of a commissioner under the Public Inquiries Act, 2006.”

It goes on to talk about written consent. “Information, including reports, and explanations disclosed to the auditor under subsection (3) shall not be further disclosed by the auditor without the consent in writing of the person to whom it relates.”

Mr. Speaker, I just want to take a moment to reference duties of the workplace parties. The

operators, for example, have overall responsibility for ensuring health and safety of persons engaged in carrying out work in the offshore. The operators, the employers, supervisors, suppliers and providers of service, the owners, interest owners, and corporate officials each have individual and shared responsibilities with regard to health and safety of persons in our offshore, and are responsible for co-operating with each other and co-ordinating their activities regarding health and safety in the workplace in the offshore.

As in any work site, Mr. Speaker, on land or sea, employees have a duty to take responsible measures to protect their own health and safety at the workplace, and that of other persons, and have a list of specific duties. I just want to conclude by that, on page 52, section 201.23 and 201.24.

“An employee at a workplace shall (a) cooperate with the operator and with all employers and other employees to protect the health and safety of individuals at the workplace...(c) take all reasonable measures to ensure that other employees use or wear, in the manner intended, all personal protective equipment referred to in paragraph (b); (d) consult and cooperate with committees established for the workplace; (e) cooperate with the board and with persons carrying out duties or functions under this Part; (f) follow all instructions of his or her employer given for the purpose of ensuring occupational health and safety”.

Those are just two or three, Mr. Speaker. There are others when we talk about the responsibility or the shared responsibility that we have in our offshore.

Mr. Speaker, I just want to conclude by saying there has been considerable debate over the last day or so on this particular matter here in the House, on Bill 1. I have listened to people on all sides of the House. I do hope and know, and expect that we will get unanimous decision with regard to this bill and in passing, and that we are all on the same wavelength here in this House for the protection and safety of all workers in our offshore.

Mr. Speaker, thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

I recognize the hon. the Member for St. John's North.

MR. KIRBY: Thank you, Mr. Speaker.

I am not sure I would characterize us as being on the same wavelength, but similar wavelengths for sure. I think it is rather significant, as the Leader of the New Democratic Party pointed out early on in the debate – the Member for Signal Hill – Quidi Vidi, yes, the Leader of the New Democratic Party. She pointed out early on in the debate that it is fairly significant that three different governments, the federal government, the Government of Nova Scotia, and the Government of Newfoundland and Labrador have come together to produce this bill.

It is certainly not perfect, but it does address many of the concerns that we have. Of course, as members have said, Newfoundlanders and Labradorians have gone to work on the sea for hundreds of years, and if you count our Aboriginal heritage in this Province, probably for several thousand years. Newfoundlanders and Labradorians, and the people who lived here before Europeans, worked on the oceans for quite a number of years.

I am from a sea-faring area originally, in Newfoundland and Labrador, down on the Burin Peninsula, though the fishery down there is a shadow of its former self. Both my grandfathers were trap skiff skippers and spent a substantial portion of their working life on the ocean, as did their fathers before them.

Certainly all of us here in the House of Assembly have had some connection to tragedy at sea, no doubt, in our lives. Myself, outside of tragedy in the fishing industry, I have personal connections to the Ocean Ranger disaster and also to Cougar Flight 491. So this is significant to me personally, as it is significant to me as a representative here in the House of Assembly.

There is no doubt that the offshore oil and gas industry has provided many benefits to the people of Newfoundland and Labrador, and our offshore resources here in Newfoundland and Labrador have provided many benefits to the people of Canada who do not live in this Province. There is little doubt about that. There is certainly a great deal of promise that there will be a lot more benefit and prosperity to come to Newfoundland and Labrador, and to Canada, by virtue of our offshore resources in the future.

We always have to make sure the workplace in the offshore is as safe as it possibly can be. It must be the highest consideration, not a secondary consideration, the highest consideration in any decisions that are made in that industry. We know we can never completely eliminate risk all together, but we know we can be constantly vigilant in an effort to mitigate those ever-present dangers out on our ocean.

The men and women who work out there have to know, they have to have some assurance that their work environment, that everything is being done, insofar as is possible, to ensure their utmost safety because the North Atlantic is a dangerous place. We have learned that throughout our history. Those who work out in the offshore, who go to work out there, face risk and dangers in their workplace that some of us, who do not work out there, can only imagine.

There is another important consideration there that we have to always remember. There are just several thousand offshore oil and gas workers in this Province out of a population of about 500,000. Their work, their industry results in billions in revenue for this government, for companies that are not headquartered, by and large even in Canada, and for individuals who reside not only here in the Province but in other parts of Canada and around the world, billions of dollars in revenue for those people; all driven by just a few thousand workers in our offshore industry.

We would say then with so much wealth generated by so relatively few workers, cost should never be a factor in determining how we

mitigate those risks that these workers face. They deserve the best safety practices we can have, those that are in use around the world. Whatever the best safety practices are, we should have them here in Newfoundland and Labrador.

When I presented to the Hebron commission there were a number of issues I raised around the offshore. One of the things that I think warrants mentioning is the offshore work rotation schedule. We hear from workers time and again that it is time to change the offshore work rotation schedule from the three weeks on and three weeks off rotation, to two weeks on and four weeks off, which happens to be the industry standard for Norway. One that workers here – of course, we have workers here in Newfoundland and Labrador.

Often when you are out and about in the city, when you are out shopping or entertaining oneself, you will often run into people from Aberdeen or other parts of Scotland, or Ireland or other parts of Europe, Norway, individuals who are over here working in our industry. They often point to safety practices and the work rotation schedule in the industry that they are accustomed working into.

There is a larger industry trend towards a work week that has a longer rest period for offshore workers. Of course, it is a very stressful environment out there, and there are all sorts of reasons to endorse this. There is research out there which shows that much of the stress, many of the mistakes and the personal difficulties experienced by offshore workers often occurs in the third week of rotation. There are difficulties, stresses, or mistakes that take place at the latter end of that rotation schedule.

Of course, we have to recognize that there are special challenges offshore workers face that the rest of us do not. They work in remote locations. That is a remote location, whether they are off Labrador or they are off the Grand Banks. It is a hostile environment. People are separated from their family and friends for quite long periods of time.

I think that recognizing this, European jurisdictions, like Norway, with a longer history of prosecution of oil and gas and offshore activity, a longer experience or history than we have, they are moving toward that sort of rotation that has a longer rest time. We cannot emphasize enough the need to foster a healthy work culture in the offshore. That is an important area for us to always consider.

Over the years our party, and certainly there was a period of time where it was just – from 2006 until the last general election, it was just our leader, the Member for the District of Signal Hill – Quidi Vidi who was representing our party in the Legislature. She certainly received over time e-mails from individuals, sometimes anonymous e-mails from workers in the offshore related to a host of different issues.

It was sometimes the case that workers were not comfortable, afraid to use formal channels in their workplace to highlight or vent these concerns. They believed they could face reprisals for bringing these issues to light. That should never be the case in any workplace, but that certainly should not be the case in a work environment that is dangerous, hostile, and isolating like our offshore oil and gas environment is.

Whatever the issues that these workers are raising and any situation where they are reluctant to bring health and safety, or other issues to light is a problematic one. It is an unsafe way to have to raise particular issues. It is good to see that the proposed amendments in Bill 1 go some distance to addressing those particular concerns, and helping us to alleviate barriers to building a culture of workplace safety in our offshore oil and gas industry.

With respect to the S-92A helicopter in particular, it is obvious that the events of March 12, 2009 were tragic. We can argue they were events that perhaps were avoidable. They woke us up to very real problems when it comes to transportation out to offshore oil platforms, rigs and vessels, and issues that we have been, I hope, more attentive to since.

The Sikorsky S-92A helicopter had been certified to fly, even though it did not meet the requirements to be able to run for thirty minutes after losing oil pressure in its main gearbox. It did not have that thirty-minute run dry time. Some helicopters were, and others are today, truly thirty-minute run dry capacity helicopters. The Sikorsky S-92A was not and it still is not a helicopter that has the capability to have that thirty-minute run dry capacity.

I think that is something that has to be alleviated sooner than later. It has to be fixed. The continued use of that helicopter in our offshore is problematic. While it is true that a helicopter with a thirty-minute run dry time would not alleviate all of the risk, it would certainly greatly reduce risk and it would make that helicopter travel much safer.

Of course, we are also wondering what is going to happen with night flights with helicopters as well, another issue that is certainly on the minds of women and men who work in the offshore industry and their families who are concerned about their well-being and their safety as they are transported to and from work. As I said before, the way we get to work is vastly different than the way they get to work every day.

We have been calling for years for the creation of an independent offshore safety authority with jurisdiction over both worker safety and environmental protection. I think those are two very important issues. After the Cougar crash in 2009, the Wells inquiry into offshore helicopter safety produced a detailed report, a very comprehensive report, and it had twenty-nine recommendations intended to improve the safety of workers travelling by helicopter to and from offshore facilities.

One of the key recommendations, and I believe Mr. Wells himself called it his most important recommendation, was the creation of an independent offshore safety authority with a mandate, with the tools, and with the ability to enforce safety regulations without any actual interference or any perceived interference. In short, Mr. Wells recommended an independent

authority with teeth, and one that is very similar to Norway's Petroleum Safety Authority.

As I said before, the Norwegians and other Europeans have quite a bit more experience just by virtue of the length of time that they have been extracting gas and oil off their shores. They have a lot more experience than we do, arguably. They have found that this is the best approach.

As I have said before, it is difficult to serve two masters. When we have companies like Chevron – and Chevron made several billion dollars in the last quarter. Look at what all of those oil companies are earning every quarter, it is often more than our entire annual Budget for this Province. It is difficult to serve two masters. It is important not to set up a conflict situation where one could be putting worker safety somewhere behind the making of profit. That is a very good argument for the creation of an independent offshore safety authority.

What we have instead is the addition of offshore health and safety personnel to the C-NLOPB and the Department of Service Newfoundland and Labrador, combined with amendments to the Atlantic Accord Act that does set up a long overdue safety regime in the offshore industry.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KIRBY: It is not enough. It does not go far enough. I think until we get there, until we have agreement with the federal government that we should have and that we will have an independent offshore safety authority, then this piece of work will not be completely done.

I am happy to stand in support of the bill. It does get us a further distance toward where we need to go, but it is not the full distance that we will have to go before all is said and done.

That is all I have to say. Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

If the Minister of Natural Resources speaks now, he will close debate.

SOME HON. MEMBERS: Hear, hear!

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

MR. MARSHALL: Thank you, Mr. Speaker.

It is my pleasure now to end the debate on second reading, which is where we debate the principle of the bill before we go to Committee where we deal with specific pieces of legislation.

I want to thank all members on both sides of the House for taking part. This is a very, very important bill because it is about the health and safety of our workers who work in the offshore. As we have all said, and everybody has agreed, the health and safety of those workers has to be paramount to any economic development that we do.

Mr. Speaker, you can see why this bill has taken so long. It is an important piece of legislation. It started about fourteen years ago and because it involved the federal government, it involved our government, it involved the Nova Scotia government, it involved our Offshore Petroleum Board and the Nova Scotia Offshore Petroleum Board I think you can see how difficult it is with all of these different players to do anything quickly. I think it is, therefore, important that we not allow this good piece of legislation to be held up because there are other things that hon. members would like to see added to the Atlantic Accord for the future.

We talk about the Atlantic Accord and how important it is and how we are trying to put into that piece of legislation, the legislation – at least the Atlantic Accord Implementation Acts which brought the Atlantic Accord into effect here in Newfoundland and Labrador, and a similar act was brought it into effect in Canada, in the Parliament of Canada. This is how we regulate and manage the offshore. It is done jointly. It is

not done by the federal government alone, as in the United States or in other countries. It is done by a sharing of management between the federal government and the provincial government. That is the system we have come up with here. We have accomplished that through an organization called the Canada-Newfoundland and Labrador Offshore Petroleum Board. It is through the board that we get this joint management, this joint regulation.

You do not have it diffused between the governments; you have the one board that does it. Three of the members of the board are appointed by the Province, three are appointed by the Government of Canada, and then there is a joint appointment of a Chair.

They regulate very important things. They regulate health and safety, or at least occupational safety – or operational safety, I should say. They regulate the environmental protection in the offshore, they regulate the conservation of the resource, and they regulate how fast the resource can come out of the wells and the manner of production. Whereas, the Department of Natural Resources here in the Province, we are concerned with the promotion of the industry. We are concerned with things like land tenure, we are concerned with things like royalties for the people of the Province, and we are concerned with taxes. That is what is driving us. The regulator is separate for the offshore, the regulator of the C-NLOPB.

I think we had more discussion on the aspect of the recommendation of former Mr. Justice Robert Wells as commissioner of the helicopter inquiry and he clearly recommended an independent regulator when it came to safety.

If I can just quote just briefly from his report, he said safety is an essential component of the regulatory process. He believes that a safety regulator should be separate and should be independent from all other components of offshore regulation and should stand alone, with safety being the only regulatory task. He believes in a safety regulator that should be powerful and should be independent, should be knowledgeable and equipped with expert advice.

That is why he made his Recommendation 29, in which our government supports.

I can certainly understand, with the federal government, why we are disappointed that they have not come on board, as yet, for an independent safety regulator; but obviously, from their perspective, they have an offshore regulator off the coast of Newfoundland. They have another one off the coast of Nova Scotia. They have one in the North. They are going to have one off of BC. I understand New Brunswick is looking at the offshore now in terms of the gas they have there; there is going to be another one there. So from the point of view of the federal government, the number of regulators proliferates and that could be a concern to them.

I think it is also interesting, the comments Chief Justice Hickman made when he chaired the Hickman inquiry into the Ocean Ranger. The comments that were made by the Harrison report committee that were concerned – they wanted a single regulator. They had a real concern that not only may there be overlap, not only may there be duplication, but their concern mainly was that if you have too many regulators, if you are dividing up the regulation, the concern was that maybe something would be missed. They were concerned about gaps in the system. They talked about multiple authorities raising the possibility, if not the inevitability of overlaps and duplications. They were not concerned mainly about the cost, but they were concerned about the specter of confusion that could arise, which in turn, would have a detrimental effect on undermining industries efforts to ensure safety. Obviously, that is a concern.

I know I listened with interest to the comments of the Leader of the NDP when she talked about the different regulators around the world. I would point out the difference that a lot of those, in certain countries, are not federal nations like us or unitary governments and have one regulator. It is a federal regulator, whereas we have this system where the oversight of the regulation is split between us and the Government of Canada.

I think this legislation is so important that we should not hold it up because we want to have additional amendments made. Additional amendments will come forward in the future, I am sure. We are having discussions with the Government of Canada now. All good legislation will evolve. Nothing stays locked in stone, as it were. There will always be new ideas and fresh ideas. There will be changing circumstances and there will be need for reform from time to time. That will happen.

With that, Mr. Speaker, I will take my seat and look forward to committee. I would urge the passage of second reading of this legislation.

Thank you.

MR. SPEAKER: Is it the pleasure of the House that the said bill be now read the second time?

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Carried.

CLERK: A bill, 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 second time.

When shall the bill be referred to a Committee of the Whole House?

MR. KING: Presently.

MR. SPEAKER: Presently.

On motion, a bill, "An Act To Amend The Canada-Newfoundland And Labrador Atlantic Accord Implementation Newfoundland And Labrador Act", read a second time, ordered referred to a Committee of the Whole House presently, by leave.

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

MR. KING: Thank you.

Mr. Speaker, at this time I call from the Order Paper, Order 4, second reading of a bill, An Act To Amend The Revenue Administration Act No. 2. (Bill 4)

MR. SPEAKER: Bill 4.

The hon. the Minister of Finance and President of Treasury Board.

SOME HON. MEMBERS: Hear, hear!

MR. KENNEDY: I move, seconded by the Minister of Justice, that Bill 4 be now read a second time.

Motion, second reading of a bill, "An Act To Amend The Revenue Administration Act No. 2". (Bill 4)

MR. KENNEDY: Thank you, Mr. Speaker.

I am pleased to rise in this House today to discuss amendments to the Revenue Administration Act and to repeal the Labrador Border Zone Rebate Regulations, 2006 to eliminate the Labrador Border Zone Rebate on tobacco products. Mr. Speaker, this bill introduces amendments to the Revenue Administration Act necessary to eliminate this tax rebate, effective July 1, 2013, and also repeals the Labrador Border Zone Rebate Regulations, 2006.

The Revenue Administration Act was the result of the 2009 consolidation of all the tax statutes to eliminate duplication of legislation and to ensure consistency in the administration of provincially imposed tax, other than income tax. The former Tobacco Tax Act was one of seven revenue-related acts consolidated under the Revenue Administration Act.

The associated regulations were also consolidated into the revenue administration regulations, with the exception of the Labrador

Border Zone Rebate Regulations. These regulations are ministerial regulations, as opposed to Lieutenant Governor in Council, and it was deemed to keep the Labrador Border Zone Regulations separate. The original purpose of the Labrador Border Zone Rebate, which was introduced in 1984, was to equalize effective tobacco taxation with Quebec and thus reduce the impact of cross-border shopping on Labrador retailers.

Mr. Speaker, the quota year administratively runs from July 1 to June 30. Effective March 27, 2013, the provincial government announced it would not be paying any more rebates with respect to the 2012-2013 rebate year, as the quota for the rebate had been reached. So this bill will eliminate the Labrador Border Zone Rebate effect July 1, 2013.

Mr. Speaker, the elimination of this rebate not only promotes healthy living, but also results in cost-savings of \$3.4 million. There are a number of reasons, not only financial, for reducing this bill. One is that it only applies to retailers in Labrador West, Labrador City and Wabush, and Southern Labrador from the Quebec border on the South Coast of Labrador to Red Bay. It does not even apply to all of Labrador and there is no rebate in the Island portion of the Province.

The rebate itself was 10.75 cents per cigarette, and 23.36 cents per gram of fine cut tobacco. The purpose was to make the prices competitive with the prices in Quebec. By equalizing tobacco and sales taxes, the prices on cigarettes and tobacco would be comparable in both jurisdictions, thus achieving the goal of reducing the impact of cross-border shopping on local retailers.

It was first introduced in Labrador in 1984 at the request of retailers in the area, and it was legislatively tied to tobacco taxation rates in Quebec in 1997. My understanding, Mr. Speaker, is that it applies to twenty-two retailers in Labrador West, and eleven retailers in Southern Labrador.

As part of the budgetary process, as we have discussed on a number of occasions, departments reviewed all existing programs and services to see if they were effective, efficient, and met with the core mandate of the department. Also, we would look at whether or not they were necessary in today's environment.

The Labrador Border Zone Rebate Program was part of that review. What we found, Mr. Speaker, was that since 1998, the amount of cigarettes has more than doubled in the Labrador West region, resulting in a continued increase in rebate costs. The program was costing taxpayers of the Province approximately \$3.4 million annually. There is no other rebate provided in any other part of the Province for tobacco sales. No other province offers a similar rebate, even though faced with cross-border shopping potential and a differing taxation rate.

Nova Scotia faces a similar situation with tobacco shops located in Aulac, New Brunswick. This community is approximately two to five minutes from Amherst on the Trans-Canada Highway. Nova Scotia has not instituted any special provisions or a border zone rate to protect shops in Amherst.

Nova Scotia appears to be of the opinion that the cigarettes purchased would be for personal consumption. There is no information, that we are aware of, indicating that there were larger volumes being purchased for resale. This incentive has also been lowered, Mr. Speaker, with New Brunswick increasing their tobacco tax rate in March 2011. This increase reduced the per pack differential from \$2.44 for a twenty-five pack, to \$1.13.

New Brunswick itself faces similar cross-border competition from the United States as they share a border with Maine. Tobacco products in the US cost significantly less at a national average price of approximately \$6 a pack. New Brunswick does not offer a border zone rebate in areas close to the American border to mitigate cross-border shopping; however, there are international customs processes to address cross-border travel and to enforce importation limits.

Saskatchewan eliminated the tobacco competition assistance program for border retailers in April, 2007. On November 10, 2012, the Quebec government announced a tobacco tax increase of two cents per cigarette, and two cents per gram of fine cut tobacco. Due to this increase, the provincial tax differential is now about \$2.50 a carton and ten cents per fifty gram pack of fine cut tobacco.

There will be an amendment brought in over the next day or two, Mr. Speaker, to deal with the increase in the cost of tobacco at approximately 1.5 cents per cigarette. When I speak to that amendment I will get into a comparison of the cost of cigarettes in our Province and in other provinces.

What I am trying to demonstrate here is that we have a program that was brought in 1984; it was legislated in 1997, and for whatever reason still exists today. We no longer see the need of it, neither from a competitive prospect or from a financial. In fact, it saves the Province money.

Also, the key aspect of this is the promotion of health and well being. It is always, Mr. Speaker, difficult to increase taxes on the one hand on tobacco and alcohol when we know that those substances cause difficulty for people, there are health concerns, but we also recognize that people have to be able to choose whether or not to avail of these substances which are legal.

The fact that alcohol and tobacco are legal means that people have that choice to make in terms of using them, but there is a health component. As a deterrent, especially to young people, the increased cost can certainly be a deterrent. As I will go through in the next day or two we certainly did not increase our taxes. I think it was Manitoba who increased their taxes four cents a cigarette. I am not sure, but I think it was Manitoba. I will get into that tomorrow.

The removing of the rebate is also consistent with the health efforts such as the banning of the promotion of tobacco products, eliminating smoking from bars and restaurants, banning smoking for areas around government buildings, and the elimination of power walls.

The Labrador border rebate, its own rebate, is subject also to a quota on the number of tobacco products and there is a set amount or a number of products on which the rebate is to be paid. At the end of March this year that amount had been reached, Mr. Speaker. Knowing that we were bringing this in we said, well, that is it now. As of March 31, there will be no further rebates paid. So there will be expenditure for the remainder of 2013 but also obviously for Budget 2013.

The tobacco increase in Quebec should offset the desire or need to go across the border to bring back products. It is not anticipated that there will be significant impacts on the loss of sales in Quebec as a result of their increase. The way we look at this, Mr. Speaker, is that we cannot see a justifiable reason in this day and age for the continuation of what is essentially preferential treatment to one particular area of the Province.

In terms of where the revenues go, Mr. Speaker, it is much like the amount of money that we make from the Newfoundland and Labrador Liquor Commission, the monies that we get from Atlantic Lotto; they are not earmarked for any particular purpose. They go into the Consolidated Revenue Fund and revenues are made from that account.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Littlejohn): Order, please!

MR. KENNEDY: We cannot earmark funds that come from one area particularly for that area because it restricts flexibility in the ability to bring in our Budget and it could result in certain programs being under funded.

It is quite interesting. The rebate itself had involved 110,000 cartons of cigarettes in Labrador West and 16,000 cartons of cigarettes in Southern Labrador. That was the amount of tobacco, which sounds to me like a lot of tobacco, Mr. Speaker.

In conclusion on this, this is an amendment. Bill 4 is An Act to Amend the Revenue

Administration Act No. 2. It will repeal section 98(2) to (5), which need to be repealed, then subsection 112(2) is repealed, and then the Labrador Border Zone Rebate Regulations are repealed.

To summarize, from a health perspective we see this as a good piece of legislation. From a financial perspective, the taxpayer of the Province will save \$3.4 million. Three, it could be argued preferential treatment was given to one area of the Province in terms of Labrador West and Southern Labrador as opposed to even Labrador as a whole; and four, that no other Province has this type of program.

This is an example, Mr. Speaker, of when we go through our programs and we find a program that is no longer consistent with the goals or priorities of the government. What we chose to do in this particular case is to repeal the act.

Those would be my comments in relation to Bill 4, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. BALL: Thank you, Mr. Speaker.

Well, it is certainly a privilege for me to stand and debate Bill 4, An Act to Amend Revenue Administration Act. When you look at the note to explain the amendment to this bill, it says, "This Bill would amend the Revenue Administration Act by repealing the Labrador Border Zone Tax Rebate on tobacco products."

Mr. Speaker, when you look at the history of this decision, actually what we see is a tax rebate in the Labrador zone, which includes from Labrador West, which would be Labrador City and the Wabush area, and then when you look at what they would consider to be the Straits area of Labrador, the zone really going up to Red Bay.

The reason this was done in the beginning, as the minister said back in the 1980s, then there was a rebate that was put in place because most of the small business, and of course it being virtually all small businesses in that area, felt it was difficult for them. The playing field was a word that was often used by a number of media releases that were done by actually all Members of this House of Assembly.

When I say all members, I mean members at the time – we had NDP members like Jack Harris, who made comments on this. We had Members for Lab West, and Members for Cartwright – L'Anse au Clair, and all parties going back into the 1980s who supported this particular amendment, which would mean that the Labrador zone would see a rebate, or a preferential treatment, as the minister said, when it came to taxation on tobacco.

In this case it was put in place for a specific reason, and that was to level the playing field for businesses, as I said, in this particular area. It was not about the health initiatives or a smoking cessation program, as the minister stated; it was not about that. If we were indeed committed to a smoking cessation program, well, we would be looking at something much larger than this. It would not just be about taxes; it would be about the specific programs designed to address smoking cessation. I would say it is an important initiative, one that our party would encourage to see a Province-wide, not just a Labrador zone smoking cessation program, but that is not what this amendment is about.

This amendment is about savings in the tune of \$3.4 million, I would say, Mr. Speaker. Really, you would have to ask yourself the question about is this really going to be a savings, because the savings here would depend on purchases of tobacco in those businesses that are in the Labrador zone. There is a fear for those businesses that they would see the people who are purchasing tobacco products would leave – for instance, if you are in Labrador City or Wabush, they would make the trek down to Quebec, to the Fermont area, to pick up the tobacco at a reduced cost.

The same would be in the Straits area of Labrador where people would actually go into Blanc Sablon or other areas of Quebec to make the purchases there. We know that when people who are actually smoking and they go to make that purchase, that they do not make that purchase, I say, Mr. Speaker, in isolation. Indeed what happens is that you would pick up other things. Not that we condone or we support smoking, we do not. That is not the case. That is not the point that we are trying to make here today. What happens is if you look at the habits of a smoker, let's say if they go to make that purchase into another province, in this particular case Quebec, what happens is there are other significant purchases that are made.

I can remember back in the early 2000s – and the Member for Gander would remember this – there was a voluntary withdrawal of tobacco sales from pharmacies in this Province. At the time I had the privilege to actually chair that committee that took the pharmacists, as a profession, to voluntarily remove tobacco from pharmacies. The Member for Gander would say he recognizes that was done on professional basis; it was something that the profession supported.

What happened in that case, and the Member for Gander will remember this, it was a five-year phased out period of tobacco removal from pharmacies. Even though at that point if you looked at – and I can remember this, when you looked at the purchasing receipts that were available in those pharmacies, I know in our particular case, one in every three purchases had a tobacco sale on it. There was no question that over that five-year phased out period, even at the end of five years it was a difficult decision to make.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. BALL: There was an extreme loss of business to pharmacies that voluntarily removed that. They did that and it was the right thing to do for that profession, Mr. Speaker.

In the case of the Labrador zone and when you look at tobacco purchases, that is a different case. It is not as if we are going to reduce the number of smokers. Currently in this Province right now we have about 23 per cent, about one-in-five people in this Province are still smoking. It is no question a significant health hazard and leads to many other chronic diseases.

If you take a smoker, you add to it obesity, you add to that particular person hypertension or a lot of other risk factors, cholesterol for instance, you place that person in a very difficult situation when you look at their chronic health. If you really believe that amending this and taking away this rebate for the businesses in Labrador is going to impact any of that, well I believe, Mr. Speaker, that it is a foolhardy approach to take.

This is not about smoking cessation. This indeed will have the reverse effect. It will take businesses out of Labrador. I am surprised to see members from Labrador not standing up to speak against this. This is not something that will be good for businesses in their area that they represent, I would say.

For instance, if you live in Lab West, if you live in Labrador City or Wabush, it is less than thirty kilometres to Fermont. If you live in Wabush, it is about thirty-five kilometres, I would say, Mr. Speaker. In Southern Labrador it is really nowhere.

Now, to suggest that is similar to what we see in New Brunswick, Saskatchewan, or any of the Prairie Provinces, or even in Ontario, it is a much different situation. The borders between Labrador and Quebec are really seamless, you can drive right through. If you were to leave New Brunswick and go into Maine, for instance, well it would be a much more cumbersome approach. People would not do that for the sake of saving money on a tobacco sale.

In the case of Labrador, you can look at the history of this piece of legislation and you can go back to, I would say, Mr. Speaker, 1984 when it was first implemented by the government of the day, then being a PC government. It was supported then by all

parties. It was supported because it was felt at the time that businesses would be in a difficult situation. It would be a negative situation for those businesses if they could not compete for this sale on a level playing field.

It was then changed in 1997. That actually linked the sale or linked the tax, for instance, in the Labrador border zone to that in Quebec. It was not just a rebate. It was linked to the taxes in Quebec compared to the taxes in Newfoundland and Labrador. That is the way it continued for many, many years and it was supported by all members in this House for all those years.

We believe this will have an impact on businesses in Labrador, in particular businesses in The Straits area and in Labrador West. I have many responses here by members and some in this House, when they spoke from all parties in support of this bill going right back, as I said, to 1997 and indeed, to 1984. As a matter of fact, we still have members sitting in this House today, and we have media releases that were available suggesting this was a good idea.

As an example, as late as March 29, 2010, the Minister of Finance of the day issued a tax information bulletin that said the following. "Tobacco tax rates in the border zones have been linked to the tax rates in Quebec since 1997. The reduced rates effectively match the Labrador border zone rates to those in Quebec. This is designed to decrease cross-border shopping, and to make businesses in the Labrador border zones more competitive with their Quebec neighbours."

This is the very statement that was made. As a matter of fact, it was almost copied and pasted for many, many years.

MR. JOYCE: Who said it?

MR. BALL: That was said by the Minister of Finance of the day back on March 29, 2010. Of course, that is the current Minister of Natural Resources, I say, Mr. Speaker.

We can see that this is really a significant change right now. This is really a significant change for this government and their approach to reducing the taxes in the Labrador zone and putting businesses in that area on a level playing field with their competitors, really. These are competitors. This is not an area where people would normally go to shop just to pick up a tobacco product. This amendment here will actually encourage people to go to Quebec, the neighbouring province, to make that sale, I would say, Mr. Speaker.

Now, to try to sell this as a health initiative, and as a smoking cessation initiative, Mr. Speaker, as I said, is indeed a stretch. We have one in five people in this Province right now are smoking. If you are truly committed to, which I would be, a province-wide smoking cessation program, well maybe we should consider something similar to what is being done in provinces like New Brunswick, for instance. Where they have taken a portion of their tobacco taxes and put it directly into smoking cessation programs. That would be a smoking cessation strategy, not taking a specific area where you put businesses in the Labrador zone – I say you are giving Quebec businesses an advantage based on this sale.

I want to reiterate and repeat that this is not about promoting smoking at all. This is about making businesses in the Labrador border areas competitive with their competitors in Quebec, Mr. Speaker.

I guess I will finish up my comments by saying we should not be seeing this as a smoking cessation program at all. This government has a very poor track record, Mr. Speaker, in reducing smoking in this Province. If they are serious at all about a smoking cessation program, well put a real smoking cessation program in place. They have that opportunity. It will benefit people who are suffering from respiratory diseases. It will benefit people who suffer from many chronic illnesses. In particular, people with diabetes, for instance, it is a major health problem if they continue to smoke and deal with those kinds of diseases.

This is not a smoking cessation program. This is about a recovery of money, \$3.4 million, I would say, Mr. Speaker, is what they believe they could recover by making this amendment. In actual fact, if the purchase is not made in the Province, how can you recover the money anyway? If people go across the border to Quebec and make that purchase, how are you going to bring in this revenue, as is suggested here by the minister?

Mr. Speaker, this is an amendment that we will not be supporting. We will be supporting the businesses in Labrador West, the businesses in Labrador City, the businesses in Wabush, and the businesses in the Labrador border zone area on the Coast of Labrador. We hope the members opposite will take a second look at this. This piece of legislation is not worth the money that it suggests would be there. Indeed, this is an amendment that they not make, Mr. Speaker, because it is one of the many lists of bad budget decisions that were made in Budget 2013.

Mr. Speaker, this will do nothing to decrease smoking in this Province. It will do nothing to decrease smoking in the Labrador border zone area. Indeed, what it will do is hurt and have a significant negative impact on the businesses in Labrador.

I would ask all members opposite if they would rethink this, revisit this amendment, and indeed, support the Member for Labrador West, support his businesses and defeat this particular amendment.

Thank you, Mr. Speaker.

MR. SPEAKER: The hon. the Minister of Service Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. MCGRATH: Thank you, Mr. Speaker.

I am pleased to be able to stand and speak to this bill today. I do not mind saying this was a difficult bill for me when I first saw it come in, because there were choices that had to be made.

Before I speak to the bill I would like to give a little bit of history. As a former businessman in Labrador West, I certainly remember advocating to bring in this rebate. I remember back in the early 1980s when we were fighting as a business community the rationales of why we needed it there.

Although I never heard it mentioned yet, one of the big things that really started the analyzing of why we needed this rebate in Labrador West was the beer strike back in the early 1980s. During the beer strike Labrador West I know was one of the areas that very quickly ran out of beer, as I am sure there were others in the area and in the Province. The difference with Labrador West was that the availability of the alcoholic beverage was available, as you heard the Leader of the Opposition say, only twenty-seven kilometres away. It was quite possible to go and get the beer. Then when the beer was not available there, they found other means through Ontario. There was quite a bit of cross-border shopping.

That was when it was realized that there was a huge difference in the cost of tobacco. Then people started saying, I am going to start buying my tobacco up there, but they were already making a trip to Quebec. Back in the early 1980s when we were going through that, as it still is today, it is a common thing to get in your vehicle and drive across the border; it is just going for a drive.

People have heard me mention it here in this House many times when I talk about the Trans-Labrador Highway that back in the 1980s, as a matter of fact up until 1986, you could only drive as far as Fermont, Quebec. That was as far as you could go, twenty-seven kilometres up and twenty-seven kilometres back. Quite often, people would go up.

One of the other issues that we have with tobacco – and I see the numbers that were there. I did a little bit of research and I looked at some of the numbers. I know the quota for Labrador West is 110,000 cartons. Mr. Speaker, if you look at the numbers that are there today – as a

matter of fact, I am going to just give a comparison.

Since 2007-2008 a quota was 110,000 cartons of cigarettes. In 2007-2008 there were only 100,000 cartons sold in Labrador West. I think what we need to bear in mind here is that we are promoting – if there is one thing this government does promote, and I promote it, is health and wellness. We do promote health and wellness. The sale of tobacco is not a healthy sale.

In 2008-2009, still with a quote of 110,000, we had 108,000 cartons of cigarettes sold in Labrador West. In 2009-2010, we had 109,000. In 2010-2011, we had 121,900 cartons of cigarettes sold in Labrador West. The most shocking thing for me, when I was looking at this bill, was that 2011-2012 we jumped to 145,982 cartons of cigarettes sold in Labrador West.

I consider my community, the District of Labrador West, to be a fairly healthy community. I do not think there are 145,982 cartons of cigarettes being smoked in Labrador West. If they are not being smoked there, it means they are being bought and shipped elsewhere in the Province.

If the sale is not happening in Labrador West, those people who are getting their cigarettes from Labrador West are still going to smoke. They are not going to buy them in Quebec. They are not going to leave – I will use a Central Newfoundland outport location – and drive to Quebec to buy your cigarettes. You are going to see a difference there.

That is one of things that, I, as the MHA for the District of Labrador West, had to take in to account. How big an effect is this going to have on the businesses in Labrador West? I spoke with the business people in Labrador West. I spoke with the distributor for the cigarettes in Labrador West, and I do not mind saying that the distributor was extremely upset. That distributor felt that there was going to be job losses. I have been monitoring that very closely, Mr. Speaker.

We did not hear it before, but this was actually, because the quota was already met for the year, the rebate on the cigarettes had stopped in March and there have been no job layoffs there, Mr. Speaker.

I spoke with the small businesses that this would affect mostly, which are the corner stores. That was my major concern. What effect is this going to have on the corner stores? I will tell you that a smart business person, when they opened the corner store, they did not open the corner store thinking they were going to sell cigarettes; that the life and security of my business is going to depend on cigarettes.

Strategically, and I think this is in most communities, if you look at where the corner stores are, especially in rural areas, they are strategically put in the busy corners of a community. People do go in and they buy their cigarettes, they buy their pop, their chips and their bars, but they are not going there just to buy cigarettes.

I think one of the best examples I can use is our coffee shops and your drive-throughs. You see them on very strategic corners which are the busiest areas in your communities. So I went through my community. I went through my district. I said, now, where are the corner stores and how are they going to be affected mostly?

My community is no different than any other community. All of my corner stores are on corners, and they are on busy corners. They are on corners that are high-traffic corners. That is why they are called corner stores. That is not rocket science.

So I have also been monitoring how the sales are. I have been watching the sales. You do not have a major difference because of the cigarettes. I can guarantee you there has not been an influx going to Fermont, Quebec to buy all the other things.

What I have seen, though, is that the residents of Fermont are frequenting my district. The residents in Fermont, Quebec are coming down across the border. They are shopping in the

stores, they are shopping in the gas stations, and they are shopping in the corner stores. There is a balance there. We have to take that into effect.

I think the most important factor for me supporting this bill –

MR. JOYCE: Because you were told to.

MR. MCGRATH: – is the health and wellness. That is the most important.

Now, the Member for Bay of Islands over there is yelling across the House. He says: I was told to. Well, I will let the Member for Bay of Islands know, Mr. Speaker, I have a mind of my own and I use it.

SOME HON. MEMBERS: Hear, hear!

MR. MCGRATH: I think that this bill, although it is going to affect my district, I do not think this is a bad bill. This bill is about the health and wellness. As a government, we are out promoting health and wellness.

MR. JOYCE: A point of order, Mr. Speaker.

MR. SPEAKER: The hon. the Member for Bay of Islands, on a point of order.

MR. JOYCE: I ask the hon. member, if you are out promoting wellness, why are you closing down the Stephenville training centre, if that is what you are doing?

MR. SPEAKER: There is no point of order.

The hon. the Minister of Service Newfoundland and Labrador.

MR. MCGRATH: Thank you, Mr. Speaker.

As I was saying, this government is all about promoting health. There are other ways that we have tried to promote the lack of use of tobacco. For example, you heard the Leader of the Opposition talk about the voluntary program where pharmacies took tobacco off their shelves. You go into a public store now and you do not see the displays of cigarettes any more. They

are covered, and that is to deter people from the addiction of tobacco.

You do not go out now and on the big billboards when you are driving down the main highways; you do not see the big billboards advertising tobacco any more. That is one thing this government is doing. It is a couple of examples that we are doing to try and deter the sale of tobacco.

On one hand we are out, and provincially we are trying to deter the sale of tobacco. On the other hand we are saying: well, we are going to give a tax rebate because we are afraid we are going to lose some business to another province. I do not think the business we are losing is that significant that somebody is going to go out of business. I do not think the amount of business we are losing is significant enough that someone is going to lose a job over it. I have not seen it in Labrador West. I cannot argue that this is happening, and I have been monitoring it very closely.

I have been monitoring it very closely, and I have yet to see where that big difference is. I am going to be very interested in seeing – and I will be checking with the Department of Finance – what the numbers are for the sale of tobacco in the next quarter. It is going to be very interesting to see what the sale of tobacco will be in Labrador West for the next quarter.

That is going to be a very interesting point, because I am not sure there is going to be – I spoke with one store owner, and that store owner told me she has seen no decrease whatsoever in her sale of tobacco. She is still in business, so she is doing something right. That is one of the things, Mr. Speaker, that I will be keeping a close eye on.

I think the other thing that we need to keep in mind here is our youth. We are all about promoting wellness. We are about promoting health and we are about – I see the member over there giving me thumbs up on the fitness centre there. I would rather see the money saved going into things like a fitness centre for the youth than I would in a tax rebate for cigarettes.

The Minister of Finance has said this is about money. This decision was made about saving money. We are not arguing that. We are the first to say, and the Minister of Finance stood up and said this was a decision that was made to save money, but if you have to make a choice – and I challenge the member across the House on this. This will be my closing remark, so he will certainly have a chance to rebuttal it.

I challenge the Member for Bay of Islands to argue, if you have to make a choice between a tax rebate for tobacco or putting money into physical education, or into health, or into a fitness centre, what would you decide? Would you give the tax rebate on the cigarettes or would you give the money on the –

MR. JOYCE: A point of order.

MR. SPEAKER: A point of order, the hon. the Member for Bay of Islands.

MR. JOYCE: On a point of order.

He is asking: What would I put it in? Obviously, you are taking money from the people of Lab West and you are not putting it into the West Coast Training Centre. You are doing neither one, I say to the Minister.

MR. SPEAKER: There is no point of order.

The hon. the Minister of Service Newfoundland and Labrador.

MR. MCGRATH: Thank you, Mr. Speaker.

I am going to conclude on that one, but I will have the member know across the way that this government does put money and does invest money into fitness centres.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

MR. EDMUNDS: Thank you, Mr. Speaker.

My comments on this proposed legislation, Mr. Speaker, are going to be fairly short because I do not see any reason for it or any basis for it. I will try to make my points quite clear.

I want to speak to Bill 4, Mr. Speaker, An Act to Amend the Revenue Administration Act No. 2. I listened to the Minister of Finance in his opening remarks and earlier comments he made of his intention to propose this legislation. It is uncomfortable, and it is sad to know that the amount of cigarettes purchased has more than doubled in Labrador West alone since 1998. That is unfortunate and something we would all like to see reduced.

Mr. Speaker, this legislation was proposed in the mid-1980s and enacted in 1997, I think it was. At that time all three parties endorsed this legislation to introduce a tax rebate because it was impacting businesses in Labrador.

I will point out that the Minister of Finance said this legislation applies only to Labrador. It does not apply to Newfoundland. I submit to the Minister of Finance, there is nowhere on the Island portion of this Province that has direct contact with Quebec in terms of borders. It is only on the Island portion of the Province.

If it has to be good for Newfoundland, Mr. Speaker, I will say it will be good for Labrador. I think Labrador is bordering Quebec the full length. The communities affected are in the Member for Labrador West's district, and in Southern Labrador. The comments brought forward by past governments, since this legislation was introduced and implemented, talked about saving communities in Southern Labrador and LabWest.

I would like to talk about some of the tax bulletins that came out since this legislation was implemented, Mr. Speaker. In 2003, which is when the government opposite came into power; March, 2005, March, 2006, and just three years ago in 2010. The very reasoning in all four tax bulletins that came out since this legislation was implemented has been the same. The explanations have been the same. We want businesses in the Labrador Border Zones to

remain competitive with the neighbouring areas in Quebec. Equalizing the tobacco tax rates in Labrador –

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

It is very difficult to hear the hon. member. There are many sidebar conversations going on, so I would ask hon. members either to take your conversations outside the Chamber or, please, just lower your voices.

Thank you.

The hon. the Member for Torngat Mountains.

MR. EDMUNDS: Thank you, Mr. Speaker.

As I was saying, Mr. Speaker, the reason behind every tax bill that has come out, the last four since 2003 as it relates to tobacco rebate, talks about protecting consumers in Labrador, protecting small businesses, trying to deter cross-border shopping, and protecting businesses and jobs.

Now, Mr. Speaker, tobacco sales have increased, as both ministers across the way have talked about. That is unfortunate, but it also sends a message that people are buying tobacco products and they will get their tobacco products. By removing the Labrador tax rebate on tobacco, Mr. Speaker, consumers will look for a cheaper price. That is common knowledge and it is a fact. People will buy at the cheapest rates, Mr. Speaker.

Before I talk about what they will do, given the resources that they have, Mr. Speaker, let's talk about the people who are going to lose business. There are twenty-two businesses in Labrador West, Mr. Speaker, eleven on the South Coast of Labrador. From Labrador West, I think it is a half hour drive, maybe less, and you are in Quebec. On the South Coast of Labrador from places like L'Anse-au-Loup, seven minutes and you are in Quebec.

Mr. Speaker, I would love to see the Province of Quebec incorporate taxes on cigarettes, but they have not and we have to live with that. We talk about this government wanting to get away from the clutches of Quebec and here we hand them tax dollars on a platter. I fail to see the reasoning behind it, Mr. Speaker.

When people want to buy cheaper and they have access to cheaper, Mr. Speaker, they will buy cheaper. What is to stop consumers from going to Fermont, Quebec or to Blanc Sablon to buy cigarettes? While they are there, almost every commodity that we shop for is cheaper in Quebec. Gasoline is cheaper. Seven minutes is not a long drive to fill up your tank. It takes that long to go to Costco from the House of Assembly. Mr. Speaker, thirty minutes is not far to drive.

Clothing, Mr. Speaker, in Quebec is cheaper. What you are doing is you are giving the opportunity for Quebec to collect sales taxes and take them away from our own Province. I cannot, for the life of me, understand why the Member for Labrador West would stand up and support this. There is no reason.

I heard the Minister of Finance coming out and talking about smoking cessation and the saving of \$3.4 million. In proposing this legislation, Mr. Speaker, he said, it is our hope that cigarettes sales will also decrease. Mr. Speaker, you cannot propose legislation on hope.

What we have here are the facts and the facts that have been in place since 1997. That is why I am not in support of this bill. I am going to stand up and side with the business owners in Labrador. I would urge the members for Labrador to do the same.

This is a bill that has been brought up since 1984, Mr. Speaker, and every time it has been brought up, until now, all of a sudden something changed. We have seen the mistakes the government has made in the Budget. We are seeing another one now. It just carries on with the discrepancies in the Budget that came out this year.

Mr. Speaker, I would like to talk about what issues we would have in removing the rebate. Once you look at the purchase of products in Quebec – and I heard the Minister of Service NL talk about curiosity in the quarter to find out what the impact is going to be with removal of the tax rebate. Well, I would urge him to also pay attention to the next quarter, to the sales in Quebec.

Mr. Speaker, he talked about the amount of cigarettes that are purchased in Labrador is far more than the area can possibly smoke. Maybe Quebecers are coming to Labrador to buy cigarettes. If the prices are similar, maybe that is the case. Maybe we are getting some tax dollars from Quebec. If you remove rebates, you will have more and more people going to Quebec.

They are also going to buy other commodities, Mr. Speaker, and that is the one thing that bothers me the most with this legislation. What it opens up is increased shopping in Quebec. It is plain and simple, Mr. Speaker. They will go there to save money on one commodity, and while they are there they will spend money on other commodities.

Again, I will say that it is unfortunate that the amount of tobacco produced has doubled, but it just sends a message to people. People are still smoking cigarettes. They are still accessing tobacco products, and that the opportunity for them to buy at decreased prices is going to motivate them to go across the border. I, for one, do not want to see that.

Also, Mr. Speaker, if they do that, and I suspect they will, where does that leave the thirty-three small businesses in Labrador West? Will you see job reduction? Will you see layoffs? Will you see a reduction in the number of hours? Will you see businesses going out of business, Mr. Speaker?

The eleven businesses that are located in Southern Labrador right next to Blanc Sablon, will you see layoffs there? Our economy is, at times, strained, regardless of how this government thinks we are doing. We do have

our issues in terms of trying to operate a business, we do have our issues in trying to hold an income, we do have our issues in trying to get our employee wages, and all of this is going to be at risk. It is going to be at risk, Mr. Speaker, because of a thirty-minute drive to Fermont, Quebec, thirty-four minute drive from Wabush to Fermont, Quebec; because of a seven-minute drive from L'Anse au Clair to Blanc Sablon, and a thirteen-minute drive from Forteau to Blanc Sablon.

Mr. Speaker, all these communities stand the risk of having their business impacted because this government wants to implement an expensive form of smoking cessation that is not going to be – I am trying to find the right words here. It is not going to be relevant because people are going to look for a cheaper price. What it will do is it will impact small businesses by taking trade away from them and bringing it to Quebec.

If this government is serious about escaping the clutches of Quebec when they talk about the Muskrat Falls Project, I cannot see why they are handing it to Quebec on a silver platter, saying take our tax dollars. Mr. Speaker, you can bet that the losses will be more than \$3.4 million that this government is hoping to save. Again, it is going to be at the expense of the people in our Province, the people who live next to Blanc Sablon and other areas in Quebec. The saving of \$3.4 million is going to be at the expense of Labradorians living in Lab City and Lab West, Mr. Speaker.

When this government makes an attempt to save money, Mr. Speaker, it should not be on the backs of Newfoundlanders and Labradorians.

Thank you.

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

MR. KIRBY: Thank you, Mr. Speaker.

It is a pleasure for me to say a few words about this bill. I will not reiterate any of the points that were just made. I think they are valid ones

about the economic impact, the negative economic impact on this area. I know my colleague, the Member for The Straits – White Bay North, who is just across the way from the Strait of Belle Isle, from Southern Labrador, will have something to say about this as well.

Government said there is no rebate provided for any other part of the Province for tobacco sales. It also says that no other province offers a rebate similar to this one. It says it will save government approximately \$3.4 million annually.

It argues that to continue to provide this tax rebate, it will serve as an incentive effectively for increased tobacco sales. Which goes against government's suggested or stated commitment to the promotion of health and well-being despite, as the Member for Bay of Islands has pointed out, the fact that they are closing one training and wellness facility in the Province as a result of this Budget.

Government argues that since 1998 the amount of cigarettes purchased in Labrador West has more than doubled. It says with the end of the program, it is hoped that cigarette sales will also decrease.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. KIRBY: Of course, that is not necessarily going to be the case. There is no reason why people will not still be able to drive across the border to Vermont, or will not be able to leave Red Bay, or drive down to Blanc Sablon should they choose.

Government says cigarette sales will decrease, but that is not necessarily a good way to get at the whole issue of smoking cessation. Really, while cigarettes and tobacco sales in Labrador will probably decline as a result of this change – because it will drive up the cost and thereby reduce the demand somewhat – it is quite unlikely that it will have a truly effective impact on consumption. People will get their cigarettes elsewhere, as I have said.

At the same time that government is making this argument, it has ignored or rejected many calls from key organizations, both nationally and in Newfoundland and Labrador, to make smoking cessation therapies and nicotine replacement therapies financially accessible.

MR. SPEAKER: I remind the hon. member that we are speaking to the bill. It is not a general Finance bill.

MR. KIRBY: Yes, but this is part of the argument, Mr. Speaker.

I wanted to point out quickly, that in the fall of 2012 there were a number of groups that came to government and asked for those therapies to be covered for low-income people. At Budget time this year, the Lung Associations, in fact, asked government for \$500,000 for smoking cessation products to be made available through the Prescription Drug Program. That would be about 0.4 per cent of the \$146 million in tobacco tax revenue that currently comes in, and that is with this particular rebate in Labrador. I think that is important to point out as well.

Government's practice is inconsistent with nearly every other province in Canada in making the argument that it does, that somehow this is a sensible way to fight tobacco usage or to reduce tobacco usage.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

It is just about impossible to hear the speaker. The speaker has important words to say, and I believe hon. members should give the speaker the courtesy to speak on this important bill.

The hon. the Member for St. John's North.

MR. KIRBY: Thank you, Mr. Speaker.

As I said earlier, part of government's rationale for this change is, it is one of these times – oftentimes we hear in the House of Assembly, when it suits government's purposes we will make comparisons to other provinces, and when

it does not suit government's purpose to do that, then we should just do it our own way here because we know better than everybody else.

It is sort of odd sometimes to follow the argument and know which argument that government is going to use. Newfoundland and Labrador, and New Brunswick, each of our provinces have no coverage for these particular smoking cessation and nicotine replacement therapies that I referenced. There is partial coverage in Nova Scotia and Prince Edward Island.

It is part of the public drug plan in Alberta, Saskatchewan, and Manitoba. There is universal coverage in British Columbia, Ontario, and Quebec. One of the reasons why the universal coverage works well is that oftentimes even those private insurance health plans that some of us are fortunate enough to have do not cover that. So that is important to point out.

It is also important to point out, that 20 per cent of the Newfoundland and Labrador population, that is about 87,000 people, smoke while only about 14 per cent of the people in British Columbia do where they have universal coverage for smoking cessation therapies and nicotine replacement.

The Leader of the New Democratic Party, the Member for the District of Signal Hill – Quidi Vidi, in fact asked on April 25, last month, why government was not investing in those smoking cessation programs and helping people quit. I think the Minister of Finance rose in his seat, or maybe it was another minister, but I think it was the Minister of Finance, and said they would rather put money into cancer drugs instead. As the Leader of the New Democratic Party has pointed out, we really should not have to have that choice.

Another thing I wanted to say quickly because I do not want to have to raise any of these points that have already been raised; Ron Barron, who is the Mayor of Wabush, was in contact with our office and wanted to make sure that for the record we mentioned that we had been in contact with Mr. Barron. He was not aware this

legislation was coming up in the House of Assembly today. He thought it might already have, in fact, been put in place through the Budget process. He was not aware that we were going to be discussing this today.

Businesses in his municipality are going to be affected by it. He is very concerned about what the impact on local retailers will be. It is not just about cigarette retailers. He says people going across the border to Quebec, whether it is Fermont, Blanc Sablon, or on the coast, will buy cheaper cigarettes but they will also do their shopping over there.

I also wanted to point out that when I grew up I worked in my parents' general store in the community of Lord's Cove. My parents were entrepreneurs and I worked in my parents' store. Anybody who is involved in the retail industry will know that retailers do not make much at all on cigarettes or beer, but that draws people into your business.

There is a high markup on confectionary items like potato chips, pop, candies, chocolate bars, and those things. That is where people make the greatest amount of profit when they are in the convenience store business. It is the cigarettes and the beer, those items that really the government is making the most money on, that is drawing a lot of people in, but they will buy additional items when they –

AN HON. MEMBER: Did they sell beer?

MR. KIRBY: Yes, they did, I say to the Member for Gander district. My parents did sell beer in their store.

So that is really where people are going to lose out. Let us face it, I say to the Member for Labrador West, people are not going to go to Fermont and get their smokes and come back to convenience stores in Wabush or Lab City and buy their chocolate bars and soda pop. That is not going to happen. People are going to go and buy whatever items they are going to buy all at one time because that just makes the most practical sense.

Mr. Barron, the Mayor of Wabush, said if they see an axe or a wheelbarrow for sale over there, they are likely to buy it there too. If they are there and they see a deal, they are likely to buy it. Based on my own personal experience working in my parents' store when I was growing up, that is certainly the case.

Anybody who is in the retail business, convenience store business, will know that is the case. That is going to be one of the impacts here, and I think that is important to realize. So I do not know if the member for Lab West wants to try to organize a filibuster now to prevent this bill from passing, but we will join your cause, should you decide to do that, and I will take my seat with that.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. KING: Mr. Speaker, given the hour and since we are sitting this evening, I move, seconded by the Minister of Environment and Conservation, that we adjourn until 7:00 o'clock.

MR. SPEAKER: It is moved by the minister that the House now adjourn until 7:00 p.m.

All those in favour, 'aye'.

SOME HON. MEMBERS: Aye.

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

Carried.

The House is adjourned until 7:00 p.m.