



Province of Newfoundland and Labrador

FORTY-SEVENTH GENERAL ASSEMBLY
OF
NEWFOUNDLAND AND LABRADOR

Volume XLVII

FOURTH SESSION

Number 7

HANSARD

Speaker: Honourable Wade Verge, MHA

Thursday

April 30, 2015

The House met at 2:00 p.m.

MR. SPEAKER (Verge): Order, please!

The hon. the Minister of Finance.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, I move, seconded by the Premier, that this House approves the general budgetary policy of the government.

MR. SPEAKER: The motion is that this House approves in general the budgetary policy of the government.

The hon. the Minister of Finance.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Thank you, Mr. Speaker.

Balancing Choices For A Promising Future

Newfoundland and Labrador is proudly demonstrating the degree to which a province can transform itself in a little more than a decade. Through wealth generation primarily by our offshore oil sector along with successful negotiations relating to the Atlantic Accords, Newfoundland and Labrador became a “have” province for the first time since Confederation. Applying these newfound revenues strategically to sustained infrastructure in health care, in education, in debt reduction and in new opportunities, we have built a rock-solid foundation sturdy enough to sustain growth for generations to come. In fact, Newfoundland and Labrador has never been stronger than it is during this past decade of transformation. On a wide range of performance measures, Newfoundland and Labrador has been among the leaders of growth in Canada.

But we have not yet completed the transformation. Now that the foundation has been laid, the time has come to build upward. The time has come to raise the pillars of our economy durable enough to weather any storm. Already, we are weathering a storm that would be crushing us had we not made the choices that transformed this province during the last ten years. Still, we know we are capable of doing

even better. In this Budget, we are ready to lay out the plan that will make that happen. This Budget is about the future. This Budget is about what we are going to do next. With a new Premier, with a renewed vision, we are ready to be bold and innovative in tackling the challenges that remain.

In this year’s pre-Budget process, we have been particularly thorough in evaluating our circumstances and weighing the choices we could make. We have listened with keen interest to the suggestions offered in the pre-Budget consultations. We have consulted with experts, and we have deliberated at length. The time has come to choose. Today, I will outline some of those new ways that we will be addressing the challenges before us.

In this first Budget of our new Premier’s tenure, we also happen to be facing a particular challenge that, a year ago, no one would have predicted. The precipitous, protracted and unpredictable decline in the global market price of oil and the parallel drop in the global market prices of mined commodities such as iron ore have shaken economies from Canada to Australia. No economy is unaffected by the impact. Different governments, though, have made different choices. Today, Mr. Speaker, I will announce ours.

The choices that our government is making are grounded in one overriding principle, and that principle is simply this: what is in the best interests of Newfoundlanders and Labradorians.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Throughout this debate, and the weeks that follow, we certainly look forward to hearing the choices of those who will be inevitably criticizing our choices. But it is not enough to simply just criticize our budget, or the choices we have made, or the financial position this province is in. Our detractors, all of them, need to say what they would do. We are confident that we have struck a responsible balance that protects people’s frontline services, safeguards economic activity and the jobs in Newfoundland and Labrador, and serves the best interests of all Newfoundlanders and Labradorians, both now and tomorrow. That is why we have entitled this Budget “Balancing

Choices for a Promising Future". Our government is acutely aware of our duty, not only to protect the tremendous progress our province has achieved over the last decade, but also to prepare our province to take advantage of the prospects that we have on the horizon.

Let me begin by speaking, not about the immediate, short-term fiscal challenges we are facing, but about the new approaches we are taking to build a stronger province for the long term, well into the future. The short-term challenges are just that – short-term; they are temporary, they are transitory, and they are finite in duration. We will get through those, just as we have gotten through the challenges of the past. Recall the global economic downturn in 2009. We endured it, we survived it and we are stronger because of how we managed it.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Long-term principles are guiding stars that lead us through challenging times and ever upward we go. Today, I will outline eight new principles that will guide us in the next phase of our journey as we transform and continue to grow.

EIGHT LONG-TERM PRINCIPLES

1. We We Cultivate a Culture of Cost Management

Our first new approach is this: we will launch a process to overhaul the existing program and service delivery model in order to contain expenditure growth. This renewed approach to fiscal management will be applied to all government departments, boards, and agencies. Our Premier has asked me, as President of Treasury Board, to lead that process.

Soon, we will appoint an external consultant who will work with us as an expert to examine the structure of the provincial government and its agencies looking for efficiency improvements. This consultant will help us answer questions such as: Why is it in Newfoundland and Labrador it takes about 45 per cent more on a per capita basis to provide services to the people of this province than other jurisdictions find throughout Canada? To what extent is it related to our dispersed and aging

population? And, what are some of the innovative strategies we need to deploy to make sure that we are able to deliver those services in that same fashion?

We are going to work with our employees throughout the system to cultivate a "culture of cost management." We have no interest in unleashing a series of cost-reduction exercises that cannot be maintained. We opt instead to cultivate an approach that is sustainable, progressive, and continuous. In everything we do as a government, we must ensure that the people of the province are seeing top value for the money that we are spending and for their tax dollars and help them save.

2. We Will Refocus to Strengthen Health Services

Our second new approach regards health care. Health care spending right across this country is growing at an unsustainable rate. We know there are better and more efficient ways to deliver health services. There are choices we can make that will shift greater focus and attention toward frontline health services and the people who need it. We are going to consolidate key administrative support services in our provincial health care system to find efficiencies, economies of scale, and better value for our money. This will allow regional health authorities to focus on their core business which is the provision of high quality patient care to the people of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: The province currently has four regional health authorities employing approximately 20,000 people. Their primary function is to deliver quality care health and community services throughout Newfoundland and Labrador. We do not intend to reduce those health authorities. These regional health authorities each, though, have separate administrative services, such as purchasing, supply chain management, information management and information technology, payroll services. By consolidating administrative functions among those regional health authorities, we will find greater efficiencies and promote better value for our money. Further, the Newfoundland and

Labrador Centre for Health Information, which was initially established to provide a comprehensive province-wide health information system, also carries out similar administrative functions as do each of the regional health authorities. By bringing together the functions of the Centre with the administrative functions of the regional health authorities, we will create a stand-alone shared service organization. Through this move, we will be positioned to have a single organization with a focus on supporting those who deliver health care, a provision of essential administrative supports. Consistency, with better alignment of these functions, will support us as we transform the health system, and regional health authorities will be strengthened because they are able to focus on patient care.

3. We Will Ensure Trades Education is Industry-Driven

Our third approach: we will overhaul our approach to trades education by working with the College of the North Atlantic to develop a new strategic vision and a direction that is opportunity-driven and industry-driven.

No one would disagree that it would be reckless to train people for jobs that do not exist or to fail to train people for jobs that are about to open up. Recognizing this, our government in 2007 moved forward with the recommendations of our Skills Task Force to match people and programs to labour force needs. Thousands of people have been able to take advantage of emerging opportunities thanks to the education, the workforce skills training and the certifications they received on our watch.

We will work with the College to ensure it serves the students and employers more effectively while delivering programs more efficiently. We will focus on creating centres of excellence in specific disciplines, and we will follow up on these key decisions with investments to ensure that the College is even better and is able to do the work that it is being asked to do. Students will benefit. The employers will benefit. Our economy will benefit, and Newfoundland and Labrador will be in a much better position to capture the opportunities that are on the horizon.

SOME HON. MEMBERS: Hear, hear!

4. We Will Develop an Attrition Plan

MR. WISEMAN: Our fourth approach is to develop an attrition plan that will enable us to strategically – strategically is the operative word – to right-size our public service and to ensure that the Government of Newfoundland and Labrador continues to be an employer of choice for talented young people seeking an active role in facilitating the growth of this province.

Every year, hundreds of people leave the public service, either to retire or to seek employment elsewhere. Some of the jobs they leave must be staffed immediately because the positions are key to service delivery, particularly in areas such as health care, education and public safety. Currently, our province has a relatively large public service per capita in the national context. The total number of employees in the entire public service, including core government departments, boards and agencies, is approximately 46,000. That represents about 19.3 per cent of the total workforce in the Province of Newfoundland and Labrador. As we find ways to be more effective and more efficient in delivering program and services, we will achieve efficiencies through a strengthened public service. The provincial government will use attrition as a tool to minimize and manage the size of the public service, minimizing layoffs, while at the same time reducing the negative consequences on our economy. An attrition plan, which I announced on April 27, will enable us to reduce the size of the public service in a gradual and measured way with minimal disruption to our employees and without compromising the services that the Government of Newfoundland provides to the people of this province.

As the attrition plan unfolds and the public service employees retire and resign, we will continue to focus on building capacity and stability in our public sector workforce by focusing on attracting young, talented, well-educated individuals into our public service.

Our approach will minimize the negative impacts on consumer confidence and the uncertainty that would arise with extensive layoffs. It also prevents the loss of young

professionals having the least amount of seniority but tremendous potential. This approach will encourage and support such employees to foster a career in public service. A vibrant and rejuvenated public service supports an important consumer base in our economy and ensures that the people with the right skills and the experience are in the places to provide the necessary public services well into the future.

5. We Will Adopt Longer-Range Infrastructure Planning

Our fifth new approach will be: we are ready to take an even longer-range approach to infrastructure planning.

When we first came to government just over a decade ago, the magnitude of the infrastructure deficit we inherited was truly staggering. As we proceeded with our infrastructure strategy, we were very cognizant of the fact that some of the facilities that we had were well past its best-before date and some of them in real danger of crumbling, so we knew we might have to adjust our priorities as we were moving. But here we are a decade later, with an incredible amount of infrastructure work completed and a solid portfolio of new and improved highways, health facilities, schools, recreation facilities and other facilities that provides services to the people of Newfoundland and Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: There is always more to be done, but we are in a much stronger position now than we were in 2003. We are better able now than before to set our sights farther out and plan across multiple years for facilities that will serve our needs well into the future.

Having invested nearly \$6 billion in infrastructure projects over the last eleven years –

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: – we can afford to pull back a little bit until our oil revenues rebound. Therefore, we have chosen to reduce capital spending temporarily and slow the pace of some the infrastructure work over a period of time. Some infrastructure projects will be paused,

while others will proceed as we planned them – but none of them, Mr. Speaker, none of them, will be cancelled.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Is there a better approach to a project that will help us accomplish more in the long run, if it makes sense to adjust now, we will. That is what we will continue to do. We are bringing forward a long-range investment schedule that will enable us to plan expenditures well into the future and ensure we meet the needs.

Even though we are slowing the pace, we will still be investing heavily this year in priority projects by allocating some \$660.8 million for infrastructure that will strengthen communities, support economic activity and create long-term prosperity in this province.

6. We Will Focus on Regional Clusters

Our sixth approach, Mr. Speaker: to a greater degree than ever before, our approach moving forward will promote regional clustering for the purposes of economic development and the delivery of services.

The best source of economic stability for a region is a group of anchor industries that build on the particular strengths of a region. Some regions have a thriving agrifoods industry, others have fisheries, and others may have tourism. We can help to strengthen these industries while attracting others to the region to diversify the economic base. The services and facilities that we provide can contribute to economic viability of the region, helping us to attract and grow new investments. Communities in a region can contribute to regional strength by sharing services and by partnering to achieve gains that may not have been possible without working together. We will build on our investments in roads, schools, recreation, health facilities, potable water, broadband and emergency services in ways that will strengthen and diversify our regions, grooming them for new growth.

One of the most significant initiatives we are unveiling this year is the new Community Sustainability Partnership. This partnership,

announced on April 29, provides new sources of funding for municipalities, Inuit community governments and local service districts. Building on the strength, the strong support and significant investments of our government that we have made over the last decade, Budget 2015 investments will further ensure a strong and sustainable future for our communities and the regions they anchor. These investments will grow in the next two years, and we will be reaping the returns well into the future.

We will share gas tax revenues from our municipalities and Inuit communities beginning in Budget 2015. We will also provide a partial rebate of the provincial portion of the HST to municipalities, Inuit community governments and local service districts beginning in January 2016. Effective January 1, 2016, they will receive a rebate of 25 per cent of the provincial portion of the HST, and the rebate will increase to 57.14 per cent effective January 1, 2017.

Through the new municipal operating grant formula, announced in 2013, and the increased annual investment provided in 2014, over 80 per cent of our municipalities received an increase in operating grants and none – none, Mr. Speaker – saw a decrease.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Responding to the need for predictability in their funding so that communities can plan ahead, Budget 2015 provides a three-year commitment to municipal operating grants, at a \$22 million annual investment level, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: We are also enhancing accountability structures so that we can ensure that these new funds do not displace current levels of investment by our municipalities, but instead are used to respond to areas the public have identified throughout our consultation process that they need, such as safe drinking water.

The review also recognized that funding alone will not address the needs of our communities. Smaller communities, in particular, need operating assistance with their drinking water

systems and help understanding what they need to do regarding their federal wastewater programs. Three regional service boards will implement regional water and wastewater operator services effective October 1, 2015 to March 31, 2019 targeting a pilot group of communities that meet a certain criteria. Through this investment of approximately \$1 million over a 3.5-year pilot, these operators will provide the assistance and the advice to help build capacity within these communities. To further assist our communities in the area of clean and safe drinking water, a consultant will be engaged to focus exclusively on solutions to reduce the number of boil water advisories in our province.

In addition, we will create an advisory committee with representatives from social and economic sectors to explore the potential for a new regional governance structure. In late 2015, informed by the work of this advisory committee, we will begin consultations on a potential new model for governance in our municipal sector that could further assist us in achieving sustainability, sustainable communities, and improve the services of our local community governments. Any potential new model considered, though, must be one that celebrates the unique identity of our communities and our neighbourhoods and supports the existing local governments and they remain. This exploration is about regional collaboration to achieve efficiencies in service delivery that will reduce duplication and benefit all citizens.

We have been making progress in addressing infrastructure needs through our municipal capital works program, with key priority areas including improved drinking water and wastewater systems as well as recreational infrastructure projects. We are maintaining current cost-sharing ratios in Budget 2015, and also providing for a provincial investment of approximately \$119 million in municipal infrastructure to complete new and ongoing projects under the existing infrastructure programs.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: In addition, Mr. Speaker, in recognition of the need for continued investment

in municipal infrastructure, and building on a three-year \$200 million municipal infrastructure program that was announced last year, our government is committed to a \$175 million investment in the new projects in the 2017-18 to 2019-20.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, this is in addition to the provincial funding that will be provided over the coming years to leverage federal funding under the new Building Canada Fund. These significant investments and levels of funding are enabling our communities to secure, develop and improve infrastructure that supports their long-term growth and sustainability.

7. We Will Implement a Strategic Deficit Reduction Plan

Our seventh approach, Mr. Speaker: when we encounter sharp revenue declines, as we are experiencing this year, with such a depth and severity that the government cannot compensate in a single year without inflicting great damage to our economy, we will abide by a multi-year plan to ratchet that deficit down to zero, progressively, and step by step.

We will set clear fiscal targets to measure our performance. Through multi-year planning of our expenditures, we will be able to project the year that we will return to a balance. If borrowing is required to cover programming expenditures, as it will be this year, then we will present a plan to repay that borrowed funding in a reasonable period of time once the province returns to a surplus. These planning measures would give confidence to our lenders, our bond rating agencies, as well as the citizens and businesses in this province.

With Budget 2015, we are laying out a five-year plan to return this province to surplus, while at the same time continuing to make prudent investments in key areas. This plan builds on the work that our government has undertaken previously to make programs and service delivery more efficient. To get back to surplus in a reasonable, predictable period of time, we will make the necessary expenditure reductions so our programs and services remain affordable

while at the same time taking steps to ensure that they are relevant and effective in meeting the needs of those that we serve. In a new culture of cost management, we will constantly strive to provide better services for less money.

8. We Will Establish a Generations Fund.

Our eighth approach, Mr. Speaker: as our Premier announced last Wednesday, we will establish a Generations Fund in which a percentage of our revenues we accrue from the oil projects will be invested in future generations.

In this, we are following the lead of Norway, which established a legacy fund about two decades after oil revenues started to flow. Having invested our initial years' worth of oil revenue in debt reduction and infrastructure deficit reduction, we will begin investing in the Generations Fund as soon as we return to surplus. We are developing and will bring forward to this House legislation to establish this trust fund and define the parameters according to which revenues will be invested and managed. The Generations Fund will not be a contingency fund to offset annual deficits, but will be protected for the use down the road by future generations who will not have the benefit of oil revenues.

THE REALITIES WE FACE

Mr. Speaker, those eight principles are at the heart of the approach that we will take this year to deal with the immediate challenges that we face of the global decline in the commodity prices and the consequent impact on our revenues. We need to adjust our course to meet those new realities head-on, but we must be careful not to adjust the course so as not to create a negative unintended consequence. We will safeguard the significant gains that we have made over the past ten years. We will do this best through a gradual change to avoid harming the province's economic system. Prudent fiscal management demands such an approach.

We know the situation that we find ourselves in is temporary. Oil prices are low today, but all the advice and all the experts are telling us that it will rebound.

Let us look in detail at the economic and fiscal circumstances we face, and our budget plan to deal with it.

Economic Performance 2014

As global commodity market conditions deteriorated in 2014, economic activity softened in Newfoundland and Labrador. Real GDP is estimated to have contracted by 1.9 per cent, driven by falling oil and mineral prices that weighed on our exports; and employment contracted by 1.7 per cent as mining activity fell and development activities at Vale's Long Harbour nickel processing facility declined and the project was progressing towards completion.

Provincial exports are estimated to have declined by about 6.6 per cent in 2014, due primarily to lower oil and iron ore production and prices.

Despite the fall in commodity prices and the weakening economic conditions through 2014, other indicators continued to exhibit the strength of our provincial economy, specifically investment, consumer spending and labour compensation.

While the weakening of the oil and mineral prices has delayed investment plans both globally and provincially, capital investment in this province remained at a very high level in 2014. Investment is estimated to have totalled \$12.2 billion last year, slightly lower than the record level that was established in 2013. Total residential spending, including renovations, is estimated at \$1.5 billion in 2014, a decline from some \$1.7 billion reached in 2013, but still high in historical context.

Retail sales and spending on services also reflected the sustained strength of our economy that has evolved over the past decade. The value of retail sales increased by some 3.4 per cent in 2014 compared to 2013. Growth in retail sales was broad-based with gains across most categories and continued demand for motor vehicles increased. The number of new vehicles sold in the province was 35,440 last year, on par with the record level of 2013. It speaks to the strength, Mr. Speaker, of our economy. In addition to retail sales, expenditures on services also posted growth last year. Receipts of food

services and drinking places increased by 2.9 per cent in 2014 compared to 2013.

While Newfoundland and Labrador was one of the five provinces to record negative employment growth in 2014 and the provincial unemployment rate rose to 11.9 per cent, wages, though, continued to rise. Average weekly earnings rose by 4.1 per cent, now at \$991 a week, were the second highest among provinces, next to Alberta.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: The increase in wages led to a 4.7 per cent gain in employee compensation in 2014.

Economic Outlook 2015

While capital investment expenditures are expected to remain high through 2015, with the winding down of development of several major projects, and the fallout from falling oil prices, Newfoundland and Labrador's economy is expected to enter a period of contraction in the coming year.

Even though iron ore and fish exports are anticipated to increase over 2014 and investment is expected to grow by 1.8 per cent, real GDP is nonetheless anticipated to decline 0.3 per cent in 2015. Employment in Newfoundland and Labrador is forecast to decline by 1.5 per cent in 2015 and the unemployment rate is expected to rise to 12.4 per cent due to the lower employment levels.

Lower employment will curtail income growth. Household income is forecast to increase by just 0.2 per cent next year. Lower income is expected to lead to lower consumer expenditures and a 0.3 per cent decrease in retail sales.

Economic Outlook 2016-2020

From 2016 to 2018, economic growth is expected to be curtailed by declines in capital investments as a result of major projects progressing past their peak development period. Beyond 2018, though, strong economic growth is expected to resume. Real GDP in the province is forecast to grow by 4.1 per cent in 2019 and 5.1 per cent in 2020.

Despite an overall decline of 1.5 per cent in employment between 2015 and 2020, the unemployment rate is anticipated to fall from 12.4 per cent in 2015 to 12.1 per cent in 2020.

Development of major projects has been a significant source of economic growth over the past several years. As development winds down and projects move towards their production phase, there is often a lull in economic activity, particularly in economies as small as Newfoundland and Labrador's. However, once the production phase commences it usually marks the beginning of an upturn in economic growth. Such is the expected evolution of the projects with Hebron, Muskrat Falls, and Long Harbour nickel processing facility. Capital investment is anticipated to decline every year between 2016 and 2018 in keeping with that scenario, reaching a low point of about \$8.5 billion. However, the production benefits from all of these projects are expected to be fully felt by 2019. Capital investment expenditures in Newfoundland and Labrador are expected to reach \$8.8 billion in 2019 and up to \$9.6 billion in 2020.

Fiscal Review 2014-15

A year ago, Mr. Speaker, Budget 2014 forecast a deficit of some \$537.9 million for the fiscal year ending 2014-15. Since that time, lower projected gross expenditures of \$385.2 million were not able to offset the lower revenues of \$771.4 million, the result of the precipitous decline of the price of Brent crude oil, resulting in the forecasted deficit increasing by some \$386.2 million for a total of \$924.1 million. Net debt for the year is projected to increase by \$1.175 billion.

The Brent oil price averaged \$83.47US per barrel, down some \$21.53US from our forecasted \$105 at Budget time, partly offset by the lower than expected Canadian dollar. Production was also lower than expected by 8.27 million barrels. This combination of lower price, the exchange rate and production resulted in offshore royalty revenues being lower by \$830.2 million, 35 per cent below our initial forecast.

Also, compared to Budget, there is a downward revision to mining tax and royalties of \$5.8

million, primarily because of the global downturn. These lower resource revenues were partially offset by improvements in other revenues such as our Personal Income Tax and the Offshore Revenue Fund. Overall, revenues were 10 per cent lower than we budgeted.

Fiscal Forecast 2015-16

Budget 2014 set out, in a three-year fiscal plan, an outlook based on oil prices expected at that time, to bring us back to a surplus in 2015-16 and 2016-17. This plan, however, was based on Brent crude oil at \$105US per barrel for 2015-16 at an exchange rate of \$0.9125. After trading as high as \$115.19US back in June of last year, the Brent price began a precipitous and unpredictable decline to reach an all-time low of \$45.13US back in January, before recovering to over \$60US today.

All forecasters agree on one thing, that the oil price is coming back. It will recover. However, there are differing views on the speed in which that will happen.

That is why, when deciding on our oil price forecast, the provincial government relied on eleven forecasters. In fact, one of those forecasters provided a composite average of another twenty-six individual forecasters. This provided us with a broad sweep of views. These forecasters provided a good cross-section of banks, public forecasters and private subscription forecasters. So we feel we have a good view based on a lot of expert advice as to what the pattern will be for the next number of years.

Understanding the risk associated with oil price forecasting, the provincial government set its budget oil price assumptions for this year's budget at proximately one dollar less than the average of all those oil price forecasts. We are budgeting this year, \$62 a barrel in 2015-16, that is US dollars, \$71 a barrel in 2016-17, \$80 a barrel in 2017-18, \$84 a barrel in 2018-19, \$87 a barrel in 2019-20 and \$90 a barrel in 2020-21.

Oil production is expected to be 2.42 million barrels higher than last year, resting at 80.32 million barrels. The combination of a lower price but also a lower exchange rate and a higher

production will result in offshore royalties being \$355.8 million lower than last year.

Total revenue forecast for 2015-16 has been reduced from \$8.534 billion last year to a \$6.976 billion today or by \$1.558 billion less. Partially offsetting this decline is \$435.7 million in lower gross expenses, reduced from the \$8.506 billion last year down to \$8.070 billion this year, with a net change of \$1.122 billion. So, instead of the \$28.5 million surplus in 2015-16, based on previous oil price expectations, the new reality of a lower oil price this year results in a deficit forecast of \$1.093 billion.

Compared to 2014-15, total revenues for 2015-16 will be \$11.5 million higher, which will partially offset the higher gross expenses for public services of \$180.8 million. Year-over-year growth in gross expenses is about 2.3 per cent; however, Mr. Speaker, when you consider only programming growth, excluding debt servicing, that growth is 1.4 per cent. In addition, gross expenses for 2015-16 are 5.1 per cent less than forecast in Budget 2014.

Growth in program expense comes in large part from expenditure pressures that reflect normal operations, including inflationary adjustments, annualization of prior year initiatives and expenses associated with demand as driving some of these programs. We have collective agreements and public sector workers, we made the adjustments in their salaries as negotiated. Decisions by government to control expenses, enhance public services, respond to the public consultations that we undertook, initiatives to make sure that we advance the public interest also factors into program expenses, and these are outlined in more detail in the Budget for this year.

New revenue measures contained in this Budget augment revenue by \$122 million in 2015-16, annualized to \$254 million next year. Significant revenue improvements this year include some \$225.2 million in Corporate Income Tax because of the less negative prior year period adjustments, and \$49.1 million in additional mining revenue flowing from Voisey's Bay.

Net debt is projected to increase by \$1.268 billion this year. The borrowing requirements

this year is expected to be \$2 billion, and we expect to borrow \$4.85 billion over the next four year period. This will allow us to continue to make strategic investments in Nalcor, focus on infrastructure spending and eliminate the liability we face with our public sector pensions. We are also responding to the expressed interest of Newfoundlanders and Labradorians to maintain strong public services.

It is important to note that investments in Nalcor will be paid back to the Government of Newfoundland and Labrador by 2025, and the province will continue to receive annual cash dividends.

Investments in infrastructure will result in continued improvements in education, health, municipal infrastructure and transportation for generations to come.

Investments in pension fund reform will reduce the Province's liability and improve its net debt.

On our return to surplus, we will put in place a plan to deal with this debt.

Nalcor will repay their debt and their investments in infrastructure today will stand the test of time. As for the borrowing as a result of the pension reform, when we return to surplus, we will set out an immediate plan to repay that debt over a ten year period.

This administration's borrowing in on par with historic levels. As well, interest rates are at an all-time low.

When we look back at the history of our Province over time, the cumulative borrowing totalled \$6.78 billion between the periods of 1988 and 2004, that's an average, Mr. Speaker, of some \$399 million a year.

Debt expense to revenue and debt expense to gross expense and debt expense to GDP has been consistently lower than the pre-2003 levels.

Our borrowing plan is short term and is an investment in our future.

One of our key commitments is to maintain a competitive tax regime that supports economic growth. However, faced with lower offshore

revenues from the decline of oil prices, and the need to balance our response between components of our fiscal plan, the revenue enhancements have to be a part of that solution. Other jurisdictions, including Alberta, have opted to address their sudden oil revenue shortfall by increasing revenues from other sources as well. We need to take a balanced approach to avoid the negative impacts that deep spending cuts would have on our economy.

Harmonized Sales Tax

The fairest means of raising additional revenue to compensate for low oil prices is through the Harmonized Sales Tax system. It is broadly based, so the burden is distributed over the entire population. Sales tax increases are less disruptive to savings and investments and decisions that will have impacts on income tax increases, and therefore has the smallest impact on future consumption and economic output.

Furthermore, our HST system already has measures to ease the impact on low income families.

Effective January 1, 2016, the provincial portion of the HST rate will increase by two percentage points from eight per cent to 10 per cent, raising the joint federal-provincial HST rate from 13 per cent to some 15 per cent. Fundamentally that is a return to where we were in 2006, 2007, and 2008 before the federal government reduced their portion of the HST. It returns us to 2006 levels.

To mitigate the impact of these changes on low income families, the provincial HST credit will be increased, commencing in October 2016. To ensure that the rate increase minimizes impact on low income individuals and families, the HST has been enhanced to offset the additional HST. The government is increasing the value of the credit to \$300 annually per adult and \$600 for a qualified relation.

AN HON. MEMBER: \$60.

MR. WISEMAN: \$60, I am sorry.

There will also be an increase in the income threshold for \$15,000 to \$30,000, meaning that the number of eligible families will increase

from approximately 58,000 people who currently are entitled to the benefit to some 126,000 people who will in the future be entitled to this benefit.

We are also renewing our commitment to maintaining the Low Income Tax Reduction that we introduced in 2005. These measures will mean significant relief for low income individuals and families living in Newfoundland and Labrador.

Residential Energy Rebate

The Residential Energy Rebate program that was introduced in 2011 to help residents offset the rising cost of fuel to heat their homes will end effective July 1, 2015.

Personal Income Tax

Effective July 1, 2015, to make the province's Personal Income Tax system more progressive, we are adding a fourth bracket for taxable incomes over \$125,000 a year at a tax rate of 14.3 per cent and a fifth bracket for taxable income over \$175,000 at a tax rate of 15.3 per cent.

These changes will maintain our competitive position as having the lowest tax rates in Atlantic Canada and still we will have the third lowest top marginal tax rate in the country.

SOME HON. MEMBERS: Hear, hear!

Financial Corporations Capital Tax

MR. WISEMAN: Effective April 1, 2015, the Financial Corporations Capital Tax rate, which applies to banks, trust and loan companies, is increased from four per cent to five per cent.

Fees

There are a number of fee changes that will either increase some existing fees or implement a limited number of new ones.

Cumulative Impact of Tax Changes Since 2006

It is estimated that in 2015-16 revenue will be \$625 million lower than it would have been

based on the tax and fee structure that existed in 2006.

Mr. Speaker, since that time our government has made significant reductions in fees and taxation to the extent that if we were to go back to the 2006 fee and tax structure, we would have an additional \$625 million in revenue today. That is the kind of relief we have provided over the last six or eight years. Now with a change in our financial circumstances, we have made some small adjustments in our tax structure to be able to continue to provide the quality services that Newfoundlanders and Labradorians have become accustomed to.

Five-Year Fiscal Recovery Plan

Budgets are a combination of a multitude of factors over which we have varying degrees of control. Some factors, like the price of oil, we have no control over. In fact, have no influence on at all. Others, like our expenses – albeit many of them may be fixed because they are components of delivery of programs and services – we do have some control. Budget preparation and fiscal planning requires a balancing of all the components by making the choices that will achieve a promising future for the province and the public we serve.

Our objective in the current oil price environment is to set out a balanced, responsible course that will return the province to surplus position while continuing to deliver public services and promote economic growth.

To achieve this, we have set out a Five-Year Fiscal Recovery Plan to return to surplus, commencing this year. We have taken a prudent approach to forecasting revenues and managing our expenses. Our plan will see necessary borrowing over the next four years for infrastructure, investment, pension commitments and service delivery. At the same time our deficit will be reduced each year until we achieve a balanced budget in 2019-20 and then we will return to a surplus in 2020-21.

The actions we are taking in this budget – the attrition plan, expenditure reductions and revenue generation – are necessary steps to take us on the path to a surplus. As well, at that time we will implement a savings program to invest a

portion of our wealth from our natural resource developments in a generations fund to ensure our prosperity is shared and enjoyed by future generations.

The Decision to Avoid Precipitous Cuts

Some have suggested that the government should address its deficit dilemma by reducing expenditures as quickly as possible to match the expenditures with our current revenues. In other words, make all the adjustments in expenditures only. As I just noted, real GDP and unemployment rates are expected to decline by 0.3 per cent and 1.5 per cent respectively in 2015. With investments declining on major projects, both indicators are expected to decline until 2018. Were we to proceed with major spending reductions in the manner being suggested, by making all of the changes that are necessary on expenditures only, our economy would be much worse off than it will be. If the government were to close the expenditure and revenue gap using only expenditures as a means of achieving that, over the next three years real GDP and employment would be 1.3 and 2.2 per cent lower than the 2015 numbers alone. The cumulative impact would be significant. By the end of 2018, when all cuts would be complete, real GDP and employment would be 4.2 per cent or 6.8 per cent lower respectively. This would create an unstable economic condition.

To put the size of the potential economic downturn in perspective, if we were to take those measures that have been suggested, which is a radical reduction in expenditures, to put the size of that potential economic impact into some perspective for you, during the economic upheaval of the 1990s, employment declined by 18,000 person years or 8.7 per cent between the peak of the problem in 1990 and the bottom of the crisis in 1996. In a cuts-only scenario, the size of the potential decline in employment from the historical peak of 242,700 people in 2013, predicted to be 35,000 person years or 14.4 per cent. A decline of 35,000 person years of employment is a scenario we would be very wise to avoid, and that is the reason we have chosen the path we have. To make the changes that are necessary to return to surplus by reducing expenditures only would undermine our economy.

OUR EMERGING ENERGY ECONOMY

Mr. Speaker, our government has tremendous confidence in the future prospects of Newfoundland and Labrador. We understand the potential that exists here, and we recognize the tremendous opportunities we have to seize. We are leveraging our significant natural resources as well as supporting the strengths of an innovative business community that is competing in global markets.

For over a decade, our government has led the province in the responsible development of our energy resources, as outlined in our 2007 long-term Energy Plan. Through sound policy decisions, Newfoundland and Labrador is well on its way to becoming an energy powerhouse, generating wealth to pay down debt, to finance our health care, finance our education and other vital services. We have shaped a culture that understands how to embrace an opportunity, negotiate globally and achieve prosperity. We are preparing renewal of our Energy Plan that will build on the province's foundation of the existing Energy Plan.

Nalcor is managing energy projects on our behalf, on behalf of the people of Newfoundland and Labrador, and positioning the province as an internationally competitive player in the resource sector. Our energy company is commercially focused on meeting the needs of its shareholders. Those shareholders, Mr. Speaker, are the people of Newfoundland and Labrador. To be clear, we are building Nalcor to bring long-term revenue to the province. The equity interests that we currently have in our oil and gas projects, and the stakes that we will have in future projects, will significantly increase our returns, over and above what we would receive by taking royalties only. Our approach is neither novel nor radical. Today, Mr. Speaker, over 80 per cent of the world's oil and gas reserves are controlled by state-owned energy companies. We need only to look at Norway and see the success it has achieved through its state-owned energy company, Statoil.

The long-term potential for the petroleum industry in Newfoundland and Labrador remains strong. The world needs new supplies of oil, and this province is well positioned to meet that demand. We have world-class producing

projects and highly prospective frontier basins. We are ideally located between the major energy markets, and we have a stable, low-risk environment for investment along with a stable fiscal regime and a competitive fiscal regime.

The foundation for developing our future based on this energy warehouse is well in place, and the benefits will be maximized for the people of this province. We are going just that by supporting a series of strategic developments that will contribute to the future growth of the oil and gas sector and the provincial economy. In 2014, we saw successful Calls for Bids which resulted in a \$559 million commitment to exploration in the Flemish Pass Basin. We celebrated an increase in reserves for the Hibernia field to an estimated 1,644 million barrels of oil.

We just recently welcomed a new land tenure regime that is propelling the province's offshore industry forward. That regime reflects the best practices of leading exploration jurisdictions and inputs from stakeholders. This new regime means transparency and predictability for companies interested in doing business in our offshore industry.

We are continuing to expand and find new resources offshore. We are raising awareness of our oil and gas potential through seismic work, which is providing us with a better understanding of what lies beneath our sea. This work is attracting the attention of the global oil and gas industry. We have acquired new modern broadband seismic data for some 80,000 square kilometres of land that is available for licensing, while we are also host to more than one million square kilometres of offshore acreage – comparable to the size of the Gulf of Mexico.

But oil and gas is only one part of our energy future. The Muskrat Falls Project, now in its third year of construction, will provide us with clean, renewable energy, a link to the North American grid, and the ability to export power to markets outside the province. We are developing one of the best hydroelectric projects in North America at Muskrat Falls, Mr. Speaker, and have our sights set on the larger neighbour, Gull Island. With these projects, we will assume

our new role as a major electricity provider in the North American marketplace.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Billions of dollars of new revenue will be generated and, unlike oil and gas, this resource will flow forever. Anytime it rains or snows in Newfoundland and Labrador we are making money. We must also not forget the crown jewel of our energy warehouse – the Upper Churchill. The year 2041 is not that far away and, while we are not reaping the full benefits of this project today, Nalcor is ensuring that, through their strategic capital investments, this asset will still be a world-class generating station in 26 years' time when 2041 rolls around.

To be clear, Mr. Speaker, Nalcor will bring long-term revenues to this province. In 2015-16 the government will put an equity investment of \$760 million into Nalcor.

Government's last equity injection in Nalcor will be in 2017-18. Over a total investment period of 10 years, the provincial government will have invested \$3.1 billion into Nalcor. Mr. Speaker, every penny of that will come back. We will get every cent of that back by 2025-26.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: From that time on, we will continue to see increases in our dividends. If you think about that for a minute, Mr. Speaker, and members opposite almost on a daily basis in this House will criticize us for putting money into Nalcor as if it is some foreign country that we do not own, but just think about this investment. You take \$3.1 billion over 10 years, you put it into a company who gives it all back to you in eight and then continues to pay you money on an ongoing basis and in the following 17 years you end up with \$12 billion in revenue and continues to grow in excess of a billion dollars a year for decades to come, what better deal can you get than that for your investment, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: The benefits to Newfoundland and Labrador of our energy industry are not just monetary. We are also

building expertise. Our offshore oil and gas industry is advancing with Newfoundland and Labrador-based – and often homegrown companies – experts in harsh environment research expertise and technology. Newfoundland and Labrador has become synonymous with offshore oil and gas exploration and production in challenging environments.

We are making the most of our strategic location on international shipping lanes and northern sea routes, our accessible ports, our strength in cold ocean research and development, and world-renowned expertise in Arctic-like conditions. Under the Arctic Opportunities Initiative, demonstrating the province as “The Path to the Arctic”, building capacity and fostering economic growth and business opportunities will remain important strategic directions for this government. We are ready to facilitate partnerships and promote collaboration, environmental responsibility, sustainability and respect. Our goal is to continue working with industry, industry associations, academic and research and development institutes, Aboriginal organizations and all levels of government to create an environment in which all stakeholders can benefit from emerging opportunities in the Arctic and further attract global industry leaders.

SOME HON. MEMBERS: Hear, hear!

THE YEAR AHEAD

MR. WISEMAN: Mr. Speaker, I want the balance of my remarks to talk about some very specific decisions for the coming year, sector by sector. I will group these sectors generally into four categories: health, safety, education and opportunity.

Health

Let us begin with health. Through the Department of Health and Community Services, we are allocating nearly \$3 billion for innovative and strategic investments to support the health and well-being of residents across the province. This Budget continues our focus on creating a health care system that supports better health outcomes, provides better care and produces better value for money.

Long-term care and community support services are essential components of our health system. We recognize the importance of ensuring there is significant long-term care capacity to meet the growing need. The Premier and the Health Minister announced on Tuesday that we are going to engage with private and non-profit providers to build long-term care facilities in the western and central and the Northeastern Avalon regions of the province. In addition, we are investing some \$700 million this year in long-term care and community supports, including our personal care homes.

Throughout our province, awareness of mental health and addictions challenges that people face is growing. As a government, we are committed to ensuring effective programs and services are in place when people need them. This year's Budget includes a number of important strategic investments to increase access to programs and services that will make a real difference in the lives of many Newfoundlanders and Labradorians. For 2015, we have allocated \$422,000 to provide youth outreach programs and services to vulnerable and high-risk youth. This includes funding of \$202,000 for three youth outreach workers in the Labrador communities of Nain, Hopedale, and Sheshatshiu, and \$220,000 to Choices for Youth for their youth outreach program. It includes some \$300,000 to continue the Strongest Families Program, which provides care to families through a distance-coaching approach over the phone and online in the comfort and the privacy of clients' homes, providing family-centred care to meet each family's unique circumstance. It also includes \$114,900 in annual funding for the creation of a provincial systems navigator position, as identified in the Premier's Summit on Health Care, to assist patients and families in accessing mental health services and addictions.

These investments will build on the other investments that we have made in facilities and services in recent years to address mental health and addictions challenges. The Premier has been front-and-centre in recognizing that we need to work strategically and collaboratively to ensure mental health and addictions challenges receive the attention it deserves. The Premier participated in the mental wellness event launched at Holy Heart High School some

months ago. More recently, the government joined forces with the Opposition parties in an all-party committee to look at mental health issues in the province. We all recognize that we need to bring this area of health care out of the shadows and find new approaches that will work more effectively.

Newfoundland and Labrador has among the highest per capita cost for health care delivery in Canada. We know that spending on the health care and community services system accounts for approximately 40 per cent of this province's budget. Costs associated with new equipment, new treatments, new medications and growing demands for services pose a significant challenge and, without a change in approach, health care will continue to consume an increasingly greater proportion of our health care budget. For this reason, along with taking the measures I announced at the outset, we will continue to seek new and innovative high-quality approaches to delivering health and community services to the people of the province. A renewed focus on primary care can help find ways to improve quality and access to services while reducing the cost of service delivery. We will also examine why our costs for health care are higher than other jurisdictions in Canada, and we will work to bring those costs more in line with the rest of the country.

We will continue to advance the Strategy to Reduce Emergency Department Wait Times, with further investment of just under \$1 million in Budget 2015. We remain committed to providing timely access to care, and our emergency departments represent one area where our continued focus is of the utmost importance.

Other health initiatives we will advance this year include continued investment in our Provincial Home Support Program, which enables thousands of eligible individuals who require assistance with daily living activities to remain in their homes. Last year, more than \$170 million was invested to provide home support to approximately 9,000 seniors. Budget 2015 will see this total investment increase to almost \$180 million.

The Budget also includes \$2.6 million to implement new drug therapies under the

Newfoundland and Labrador Prescription Drug Program. We are also investing \$172,800 to add the Rotavirus vaccine to the Provincial Vaccine Program. This vaccine protects infants from gastrointestinal illness, which can lead to severe illnesses and hospitalization.

Since 2004, we have invested approximately \$1.5 billion in health care infrastructure for new facilities, repairs and renovations to existing facilities and new equipment. In a province of more than 500,000 people, there are fifteen hospitals, twenty-three community health centres, 119 community clinics and twenty-three long-term care facilities. Through the Department of Health and Community Services, we are investing a total of \$133.7 million this year in strategic initiatives to ensure access to new and modern health facilities throughout Newfoundland and Labrador. This includes funding for the completion of the long-term care home in Carbonear; redevelopments at the Health Sciences Centre in St. John's; continued work on the replacement of the Western Memorial Hospital in Corner Brook; continued construction of the long-term care facility in Happy Valley-Goose Bay; redevelopment of the Central Newfoundland Regional Health Centre in Grand Falls-Windsor; and development of a new health centre in Springdale.

We are also continuing to work on the protective care residence at Burin and the installation of a PET scanner at the Health Sciences Centre.

The Premier established the Department of Seniors, Wellness and Social Development in September 2014 in an effort to realign divisions within government to focus more clearly on emerging issues such as an aging population and the need for overall wellness, and to help ensure all citizens are able to contribute to, and benefit from, our economy.

The focus on seniors acknowledges a challenging reality in Newfoundland and Labrador – an aging populace – and the opportunities and challenges that brings. Our government is committed to helping older adults remain healthy, active and engaged citizens, living in their own homes as long as possible.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mobility is one of those challenges. This year, we are investing \$400,000 for age-friendly transportation services. Another challenge is housing. This year, we are also investing \$104,000 to support the continuation of a Rent Supplement Pilot Project, through Newfoundland and Labrador Housing, which provides –

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, that program provides rental subsidies to eligible applicants, primarily seniors and persons with disabilities, who wish to remain in private sector rental accommodations.

Our government is continuing its efforts to promote and improve the overall wellness of the population of this province, from birth to senior years, through initiatives that provide support and reduce barriers to healthy, active living. We are linking people focused on healthy living and others who are working to increase physical activity, recreational opportunities and sport development. Through that process, we see the work they are doing as a continuum, and we are eager to create a forum in which we can work together to plan initiatives that will enable our people to become healthier, more active citizens – role models for generations to come.

We know our population has serious challenges when it comes to healthy, active living – not unlike many other jurisdictions. We all have a part to play in changing that.

This year, we will invest \$5.9 million in community-based organizations and agencies, which are advocates for health and wellness and deliver key programs and services in our communities. We will also invest \$2.2 million for initiatives, programs and projects focused on healthy living, recreation and wellness. We will invest \$500,000 and seek to leverage additional funding from the private sector and the federal government to develop and implement a physical activity program for school-aged children.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: We will also invest \$500,000 to promote healthy living initiatives that support breastfeeding, healthy eating, and school health.

Safety

A second priority, alongside health care, is public safety, which is among our highest priorities.

A key component of the child protection model for the Labrador region includes dedicated zone managers for the Innu and Inuit zones, and a collaborative approach with Aboriginal leaders and communities to improve planning and enhance service coordination and delivery. Support of \$475,000 in Budget 2015-16 reaffirms our commitment to ensure a more consistent presence of frontline social workers and a greater interaction with families in the Community of Natuashish through the Community of Natuashish Service Enhancement Program.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: This program consists of additional social work teams who fly in on a two-week rotation to support the permanent staff that live there and work in the community. Six new frontline positions will be created in Labrador in 2015-16. On a provincial level, government has now met the organizational commitment of a 1:20 ratio for social workers to caseload, all put in place since the multi-year plan was announced in 2012.

Our government is also allocating \$278,600 to continue the mentoring program that was established in Sheshatshiu. Introduced in 2014, the program involves experienced child protection social workers from other areas of the province serving as mentors to new social workers to enhance their decision-making and provide clinical practice guidelines.

We will continue our Foster a Future campaign in 2015-16 through our investment of \$150,000. Furthermore, in an effort to enhance the foster families in our Aboriginal communities, we are adapting foster families training so that it is more reflective of Aboriginal communities.

Public safety is a priority in all areas of our province. In January 2015, our government demonstrated a commitment to enhancing safety through the creation of the Premier's Advisory Council on Crime and Community Safety. This Council will examine all aspects of crime in Newfoundland and Labrador and recommend new strategies to prevent and reduce criminal activity and enhance safety in this province.

We recognize that the face of crime in Newfoundland and Labrador is changing and, during the last five years, the province has seen an increase in the level of violent crime. Proper resourcing of our provincial police forces remains one of our government's top priorities. Over the past decade, we have invested more than \$1 billion in support of policing operations and to ensure our officers are suitably trained and equipped to respond to daily demands. The Combined Forces Special Enforcement Unit – Newfoundland and Labrador is doing tremendous work in curbing crime in our communities, and that work will continue. For 2015-16, we are providing approximately \$3.5 million to the Royal Canadian Mounted Police to enable them to renovate and construct detachments in rural areas. Work will proceed on new detachments and renovations in Clarenville, Twillingate and Whitbourne.

Through ongoing and increased investments in policing this year's graduating class of RNC recruits will be 31, the largest class since the inception of the MUN Police Studies Program. This will bring the total number of graduates to 254 since the first class was sworn-in in September 2005. And we will invest in an additional 10 new recruits this year, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Intimate partner and domestic violence is a very real and complex societal challenge impacting everyone in Newfoundland and Labrador. Our government is investing approximately \$1.65 million this year and \$4.7 million over the next three years for the establishment of a new Domestic Violence Court with extended reach. This amount includes \$100,000 to enable us to work with stakeholders in Labrador, including Aboriginal communities, to develop a culturally

and regionally tailored Domestic Violence Court model for Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: In his 2013 report entitled, “Access to Justice – A Roadmap for Change”, Supreme Court of Canada Justice Thomas Cromwell noted a strong need to improve access to civil and family justice in Canada, particularly for the most vulnerable in our society. Our government will invest almost \$1.5 million in 2015-16 to improve access to justice for all participants in the court process in this province.

In 2015-16, a new judge will be appointed to the Provincial Court in Clarenville, new court officers will be hired in St. John’s and in Harbour Grace, and 10 video conferencing units will be replaced or installed within the court system.

Our government will continue to support the Legal Aid Commission in implementing outstanding recommendations of the Roil Review completed in 2014. Specifically, we will put funding in place to increase the tariff rate, which is the rate that is paid to private practice lawyers who provide legal services for legal aid. The current rate will increase from \$60 per hour to a maximum of \$135 per hour. This will mark the first increase since the 1970s, and will ensure that people entitled to representation by private practice practitioners receive enhanced access to criminal legal advice.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Funding will also be allocated to implement Phase II recommendations of the Roil Review.

Promoting public safety on our highways is another priority of our government. We also recognize that, in our province, especially on the Island portion, the moose population is particularly vulnerable and a very valuable natural resource. We acknowledge our Five-Year Moose Management Plan, announced in April and supported by a \$1.8 million investment over the next five years through Budget 2015-16. The plan is a coordinated, regional, scientifically based and balanced

approach to managing the moose population and mitigating moose-vehicle accidents.

Education

A third specific area of investment, besides health and safety, is education.

This year, we are investing \$926 million in a wide range of initiatives, such as the continued implementation of our 10-year child care strategy, Caring For Our Future, as well as the significant investments in our K-12 infrastructure. Caring For Our Future is now in its fourth year and has been tremendously successful in enhancing the quality, the affordability and sufficiency of child care in our province.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Since 2003, we have increased the number of regulated child care spaces by 70 per cent and we will continue to build on that momentum by investing an additional \$3.2 million to continue the implementation of this strategy, bringing this year’s budget to \$45.7 million.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, this includes an additional investment of \$1 million in the new voluntary Operating Grant Program, which was launched this past December and has had a very encouraging uptake from the child care operators.

Our government also remains committed to the implementation of full-day kindergarten.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Budget 2015 will invest over \$10.5 million to ensure it is provincially implemented beginning in September of 2016.

As we announced in this year’s Speech from the Throne, we are proceeding with a K-12 curriculum renewal in many areas, such as English Language Arts, Science, Health, Social Studies and French programs. We will be developing a 21st-century curriculum, employing methods that integrate innovative and

research-driven teaching strategies, modern learning technologies and relevant resources and contexts, and focusing on learning skills that address the needs of a new generation of students. We will also convene a group of educational leaders to review our Math performance.

Our government continues to support students with exceptionalities. Through the Newfoundland and Labrador Teachers' Association Collective Agreement, an Inclusive Education Joint Committee has been established to examine the opportunities and challenges with Inclusive Education and chart the best way forward. Budget 2015 will invest some \$500,000 which will provide approximately an extra 100 student assistant hours per day to students in the province's schools.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Through our work with our Atlantic Canadian partners, educators and support personnel throughout Newfoundland and Labrador will have access to a new online Autism Spectrum Disorder training program. Our government is committed to working with our community partners and supporting these initiatives to ensure we meet the educational needs of our students.

Beginning this year, we are implementing a multi-year K-12 school infrastructure plan to address both the shorter-term and longer-term needs throughout the province. Under the plan, we are allocating over \$95 million for school infrastructure projects this year, including funding to begin planning for seven new major school infrastructure projects to address student population growth. We are committing to build new intermediate schools for Paradise and the Witless Bay/Mobile area. We will also begin the planning for a new high school in Paradise and three school extension projects in Conception Bay South, Clarenville and Mount Pearl. We are also allocating funding to begin planning for the anticipated significant population growth in Conception Bay South.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Budget 2015 also allocates funding for seven modular classrooms; ongoing

construction projects in the following communities: Paradise, Conception Bay South, Mount Pearl, Virginia Park, Torbay, Portugal Cove- St. Philip's, Coley's Point and Gander; and the completion of the Waterford Valley High School all in this year, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: In addition to the infrastructure funding committed in Budget 2015, over \$600 million has been spent on K-12 school infrastructure since we formed government back in 2003, Mr. Speaker. This includes some 14 new schools that have opened; eight more in various stages of planning or construction; 27 major extensions and renovation projects that have been completed, and 10 more are underway; and more than 1,900 repair and maintenance projects that have been undertaken, a major transformation of our K-12 system.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Overall, our investment in the K-12 education will increase this year over last, reflecting the high priority we place on the education of our children. But our investment in education is not just in the K-12 system. More and more, our K-12 graduates need post-secondary education to complete their careers. Our government's priority is to ensure that Newfoundland and Labrador students have access to high-quality post-secondary education at an affordable cost. We are proud of our record of investments in post-secondary education and we will continue to support students during these challenging fiscal times. Budget 2015 provides some \$12.6 million to follow through on our commitment to eliminate the provincial student loans program and replace those loans with upfront, non-repayable grants.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, this will enable Newfoundland and Labrador students to accumulate far less provincial debt during the course of their studies and have the lowest student debt in the country.

Approximately \$20 million in 2015 will go towards skilled trade development and a variety

of initiatives to revitalize the apprenticeship system. Funding is also being provided to the College of the North Atlantic to continue with the development of the labs at the Grand Falls-Windsor campus.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, those labs are important to the operation of the medical laboratory sciences program. Funding has also been provided to continue the tuition freeze for students at the College of the North Atlantic.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, the power to set tuition fees at Memorial University rests ultimately with Memorial's Board of Regents. For years, we have provided funding increases to Memorial with the desired outcome that the Board would hold the line on tuition fee increases. Those funding increases have totalled some \$238 million. Memorial's tuition fees are now the lowest in the country, in many cases by an enormous margin. As our government moves forward to find efficiencies and savings throughout the public sector, we are asking Memorial to do the same and reducing its overall operating grant from the previous fiscal year by approximately \$20 million. Through Budget 2015 the Provincial Government will continue to support a tuition freeze for Canadian undergraduate students at Memorial University –

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: – and is providing the funding to maintain that freeze. As a result of this funding, tuition will remain the lowest in Canada.

SOME HON. MEMBERS: Hear, hear!

Opportunity

MR. WISEMAN: Finally, a fourth area of public investment is the promotion of opportunities – opportunities for regional growth, for business growth and for personal growth through employment.

Budget 2015 includes over \$185 million for the Poverty Reduction Strategy initiatives that are

designed to prevent, reduce and alleviate poverty, bringing the total investment in poverty reduction since 2006 to over \$1.2 billion, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Budget 2015 investments include over \$25 million for early learning and child care initiatives designed to ensure all children have the opportunity to develop to their full potential; and also \$12.2 million for the Low Income Tax Reduction Program, which represents a \$1.1 million increase over last year.

Newfoundland and Labrador Housing will continue with the Home Modification Program, the Residential Energy Efficiency Program and a five-year extension of the cost-shared Affordable Housing Agreement.

Essential to promoting opportunity is inclusiveness. Our government is committed to building a more inclusive society, without barriers and where appropriate supports are in place so our residents can avail of programs, services and opportunities to live meaningful, healthy, active lives. Close to 75,000 Newfoundlanders and Labradorians have a disability. Almost 60,000 are over 15 years of age, and 60 per cent of this group is of working age between 15 and 64 years of age. In 2015, we will release our three-year action plan to further guide implementation of initiatives under the “Access. Inclusion. Equality. A Strategy for the Inclusion of Persons with Disabilities”.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Since its inception in 2012, this strategy has focused on enacting changes in policies, services, program and attitudes so that people with disabilities and their families have the same opportunities as everyone else.

This year, we will invest \$400,000 for the Accessible Vehicle Program, which helps individuals with mobility disabilities to acquire or adapt personal vehicles for accessibility.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, this funding also includes \$50,000 to help our province's taxi industry provide accessible taxis.

We will also invest \$200,000 for inclusion grants, which help communities and organizations make their facilities and events more accessible. The grants will cover such projects as the installation of accessible washrooms, automatic doors and visual smoke alarms; the provision of accessible playground equipment; and the use of sign language services and captioning at all events.

For communities, a fundamental ingredient needed to avail of opportunities for growth is infrastructure. I have already outlined many infrastructure investments in health, education and public safety, but there are others. Through Budget 2015, we are allocating approximately \$204 million for investments in our provincial roads, bridges and other transportation infrastructure.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: As part of this investment, we are allocating approximately \$70 million for our Provincial Roads Program, which includes a number of multi-year projects, along with the continuation of our brush clearing and our calcium chloride dust suppression programs. Another part includes some \$21 million for our summer maintenance program. A third part includes almost \$55 million for our winter maintenance program.

Through an allocation of approximately \$13 million, we will advance work to upgrade bridges throughout the province. In addition to this, Budget 2015 provides for over \$5 million to begin construction on the Sir Robert Bond Bridge and approximately \$21 million to continue with the Placentia Lift Bridge.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: We are allocating over \$86 million to provide marine services to some twenty-three isolated communities. Our province's marine operation and ferry fleet are among the largest in the country, with eighteen vessels that operate out of forty-two ports. We are investing \$13 million for renovations to

wharf and infrastructure associated with our two new ferries for Fogo Island-Change Islands and Bell Island.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: This year's budget also allocates over \$41 million as part of a total investment of over \$126.7 million for the purchase of the new vessels.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: In Labrador, we are also allocating \$351,000 to continue the Labrador Transportation Grooming Subsidy, which maintains a quality winter snowmobile trail system connecting otherwise isolated coastal Labrador communities throughout the winter months.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: The paving of the Trans-Labrador Highway represents one of the largest infrastructure projects even undertaken in this province. The first phase, which spans almost 530 kilometres from Labrador City and Wabush to Happy Valley-Goose Bay, will be finished this summer through a Budget 2015 allocation of \$5 million.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Widening for Phase II and Phase III will continue to progress through a \$50 million investment this year. These investments are in addition to the \$510.7 million that has already been invested in this project.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: It is vital that we continue to promote and position Newfoundland and Labrador as a competitive economy, with recognized international strengths and advantages. We remain firmly committed to strengthening the business environment and developing innovative industries. Through Budget 2015, we are investing some \$102 million in continuing tax credits and incentives for businesses, including the most recently announced Venture Capital Tax Credit.

Budget 2015 includes a commitment to continue venture capital funding to advance growth sectors like ocean technology, information technology, knowledge-based industries and business services with emphasis on export markets. The program builds on the existing business flexible loans and non-repayable investments that support diversification, increased productivity, skills development and export market access.

We remain committed to improving the global competitiveness of local companies, strengthening employment opportunities and driving economic diversification in Newfoundland and Labrador. Our role is to champion success and to help create a climate that allows business operators to prosper. With more than \$44 million available through Budget 2015 to support start-up businesses, emerging growth sectors and regional development activities, we are securing economic success for generations to come.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, we recognize that innovation goes beyond the development of new and novel products and services. To meet these growing needs, Budget 2015 will introduce a new Interactive Digital Media Tax Credit to assist with employment retention and investment in this growing and dynamic sector. This credit will be applied to positions that are directly related to the development of interactive digital media products, such as game designers, programmers, artists and composers.

A total investment of approximately \$4 million in equity investment and tax credit by our government will support the new television series, *Frontier*. It is estimated that every \$1 invested by the provincial government will result in \$4 of production activity and \$2.95 in direct spending. Approximately 165 full-time equivalents are expected to be created – positions rather – in this province as a result of that project.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Tourism, culture and heritage are fundamental components of our government's continued focus on promoting

economic growth and diversification. Between 2009 and 2014, non-resident visitation has increased by 22 per cent, while non-resident tourism spending has increased by 36 per cent, reaching some \$491 million in 2014, the highest level of non-resident spending ever in this province.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Our investments have led to an award-winning tourism marketing campaign that is seen and recognized worldwide. To build on this momentum, Budget 2015 provides for an additional \$2 million in the tourism marketing budget, bringing the total budget for tourism marketing to \$13 million annually.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: We are also providing \$500,000 to sponsor the 2016 Labrador Winter Games, a unique event that happens once every three years.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Budget 2015 also includes an investment of \$420,000, as part of a \$1.2 million multi-year plan, to preserve the province's heritage assets, which will include enhancements to the Point Amour Lighthouse Provincial Historic Site and improvements at sites in Trinity, the Bonavista Lighthouse, the Heart's Content Cable Station and Commissariat House. We are also working on visitor interpretation for the restored Colonial Building.

The Mistaken Point Ecological Reserve is home to fossils of the oldest creatures – in fact, the oldest complex life forms – found anywhere on Earth. Through Budget 2015, two additional seasonal interpreters will be added to the site at Mistake Point.

Through Budget 2015, we will provide nearly \$12 million through such programs as Growing Forward 2, the Agriculture and Agrifoods Development Fund, the Provincial Agrifoods Assistance Program, the Land Consolidation Program, the Agriculture Research and Development Program and the Agricultural Limestone Program. We will continue to

support the province's cranberry industry with a new investment of \$1 million this year.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Through Budget 2015, our government will provide close to \$30 million for silviculture projects, construction of resource roads for timber harvesting, forest insect and disease control, forest fire control measures, research and development and regional operations. Capital funding is also continuing for the multi-year water bombers project, which is providing support for our forest industry.

Newfoundland and Labrador remains the only province in Canada to solely fund its own fisheries science research to help ensure future sustainability and success in our fishing industry. Since 2010, our government has contributed more than \$15 million towards world-class fisheries science initiatives through the Marine Institute's Centre for Fisheries Ecosystems Research. This includes some \$2.6 million in Budget 2015 to continue with the centre's work, including the charter of the Irish Marine Institute's research vessel, the *RV Celtic Explorer*, for a fifth consecutive year to conduct further research on our rebounding groundfish stocks, in particular the northern cod.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: In fact, the vessel is due to arrive in St. John's next week to start its research.

Budget 2015 also provides \$1 million for the Canadian Centre for Fisheries Innovation to conduct fisheries and aquaculture development activities, and includes developing technology that drives innovation and greater economic returns for our industry.

Since the Fisheries Technology and New Opportunities Program was first introduced, more than 280 projects have been supported for research and development into enhanced harvesting, processing and marketing techniques. Budget 2015 provides \$1 million to continue this program, bringing total commitments under the program to approximately \$14 million since 2007.

The province's fishing industry will benefit from the virtual removal of the European Union tariffs aimed at our seafood exports. Once the Comprehensive Economic and Trade Agreement, or CETA, is in place, local producers will be able to take advantage of new markets to sustain local operations for a long period of time. We are counting on Ottawa to provide its \$280 million share of a \$400 million fisheries renewal fund so local operators can prepare to take full advantage of the opportunities that lie ahead.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Budget 2015 allocates a further \$2.8 million under the Aquaculture Capital Equity Investment Program to expand this growing and promising sector. An investment of nearly \$1 million will also see the completion of a biosecure aquaculture wharf in Milltown. In addition, more than \$1 million over the next two years will fund oceanographic research to support further expansion of the aquaculture industry, by expanding bay management through the identification of other locations throughout the province where growth in the aquaculture sector could mean new and sustainable opportunities for local residents.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Retailers in Labrador West have expressed concern that the difference in tobacco tax rates in this province and Québec is hurting their sales across the board as consumers drive over the border to shop, not just for tobacco products but all other products. We have no interest in promoting the sale of tobacco, but we have heard the retailers and their concerns about the impact of the situation they face in Labrador. Therefore, effective 12:01 a.m. on May 1, 2015, tobacco retailers in Labrador West will be eligible for a rebate of a portion of tobacco tax.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, throughout Labrador, we are continuing to invest in our communities to improve infrastructure, health, education, wellness and other services while supporting economic growth and sustainable futures. By the end of this fiscal year, our

government will have allocated a total of some \$5.5 billion in Labrador since 2004.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: We will continue to provide funding to the Labrador and Aboriginal Affairs Office to help it advance its important work that includes our government's commitment to partnering with Aboriginal people, both in Labrador and the Island.

This year, we are investing some \$43,000 to enable youth delegates from Labrador to attend the Youth Council Convention.

We are allocating some \$50,000 to continue the Air Foodlift Subsidy which helps offset the air freight costs on fresh milk and perishable food items shipped into isolated Labrador communities.

We are also providing some \$100,000 in operational funding for the Combined Councils of Labrador.

We are committed to developing a new plan for Labrador that will build upon the government's work since 2003 and reflect the changing realities in Labrador. We will engage with Labradorians once more to have them voice their opinions and ideas, and we will develop a new plan that meets the current realities, the challenges and the opportunities in Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: We believe it is vital to consult with Labradorians at every step along the way, to help set future priorities for Labrador and to ultimately inform the development of a new strategic plan for Labrador.

And finally, we recognize that driving the growth of opportunities goes hand-in-hand with driving the growth of a population. One advances the other. Budget 2015 will support the implementation of a Population Growth Strategy to cultivate conditions favourable to increasing the province's population.

Our province's business community recognizes – as we do – that fostering immigration is an essential growth opportunity. Through our

efforts in partnership with the Government of Canada we have just announced a 250 per cent increase in our province's overall ability to nominate individuals to come to the province, bringing the total now to 1,050.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: As we embark on the next phase of our transformation to a thriving renewable energy economy, we will be welcoming more and more people to join us in driving opportunities in our communities and making Newfoundland and Labrador their home.

CONCLUSION

Mr. Speaker, from the northernmost reaches of Labrador to the southernmost coasts of the Island portion of the province, we are proud of how far we have come since 2003. We are even more enthusiastic and excited looking forward because the long-term future of our province is brighter now than it has ever been, thanks to the choices that we have made in the decade since we have been in government. Some may question the choices that have led us here, but the transformation, Mr. Speaker, has been undeniable. What is also undeniable is that the major renewable energy resource projects that are at the doorstep will ratchet up Newfoundland and Labrador's benefits to a whole new level, completing that transformation and sustaining our newfound prosperity for generations to come. None of this happened by accident; this was not a coincidence, Mr. Speaker. We have raised our fortunes through deliberate choices and deliberate actions. This growth would not be happening were it not for the leadership that we have demonstrated.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Our choices are responsible for the fact that Newfoundlanders and Labradorians are better off today than they have ever been before in our history.

If we stay the course we are on, even greater gains await us in the next five years. If we abandon the course we are on, then all bets are off. That is why the issue of choice is so important to our prospects for growth. They are inextricably linked. This year's Budget is all

about choices – the choices that we are taking now to lead us through the next phase of even greater growth. I have laid out the eight principles that we believe can best guide us to stronger, leaner, more responsible governance and better, more affordable services for the people of Newfoundland and Labrador. I have laid out a five-year plan that bridges the commodity revenue dip and gets us back to a surplus, step by responsible, reasonable step. There will be no jolts to send our economy over an embankment. It will be a steady, it will be a responsible, it will be a measured plan that supports our economy and fuels the gains that will lead us forward. This Budget is about balance, balance and choices, Mr. Speaker. It is about the future. It is about making the connection between the two, because it is only through balanced choices that a sustainable future is in our path. If we shift too far in either direction the line is very fine and, the balance, we need to maintain. Newfoundland and Labrador will slide back into that pit that we have been crawling out of for the last 10 years if we are not careful, Mr. Speaker, and that is why it is important that we make the right choices. It is imperative that we understand what is at stake here when we weigh the choices before us. It is more important now than ever before to choose wisely, for it is only the balanced choices that will unleash the promising future that we as government has clearly laid out for us. Our vision is 20/20, and the future we see so vividly before us is so exceptionally bright, Mr. Speaker. Let us not deny future generations the legacy that they are so entitled to, but let us make the right choices for the children of Newfoundland and Labrador.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. WISEMAN: Mr. Speaker, I move, seconded by the Premier, that debate be now adjourned.

MR. SPEAKER: The motion is that debate be now adjourned.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

On motion, Budget Debate adjourned.

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

MR. WISEMAN: Mr. Speaker, I wish to inform the House that I have received a message from His Honour the Lieutenant Governor.

I am sorry, His Honour the Administrator.

MR. SPEAKER: All rise.

The following message is addressed to the Minister of Finance:

As Administrator of the Province of Newfoundland and Labrador, I transmit Estimates of sums required for the Public Service of the Province for the year ending 31 March 2016, in the aggregate of \$7,541,808,100, and in accordance with the provisions of sections 54 and 90 of the Constitution Act, 1867, I recommend these Estimates to the House of Assembly.

Sgd.: _____
Administrator

You may be seated.

The hon. the Minister of Finance.

MR. WISEMAN: Mr. Speaker, I move, seconded by the Premier, that the Message, together with the Estimates, be referred to the Committee of Supply.

MR. SPEAKER: It has been moved and seconded that the Message from His Honour the Administrator, together with the Estimates, be referred to a Committee of Supply and that I do now leave the Chair.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

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

Committee of the Whole

CHAIR (Littlejohn): Order, please!

We shall take a few minutes to distribute the budgetary documents to all hon. members.

[Budgetary documents are distributed]

CHAIR: Order, please!

The hon. the Government House Leader.

MR. KING: Thank you, Mr. Speaker.

I move that the Committee rise, report progress and ask leave to sit again.

CHAIR: The motion is that the Committee rise, report progress and ask leave to sit again.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

CHAIR: All those against, 'nay.'

Carried.

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

MR. SPEAKER (Verge): The hon. the Member for Port de Grave.

MR. LITTLEJOHN: Mr. Speaker, the Committee of Supply have considered the matters to them referred and have directed me to report they have made some progress and ask leave to sit again.

MR. SPEAKER: The Chair of Committee of Supply reports the Committee have considered the matters to them referred and have directed him to report they have made some progress and ask leave to sit again.

When shall the report be received?

MR. KING: Tomorrow.

MR. SPEAKER: Tomorrow.

When shall the Committee have leave to sit again?

MR. KING: Tomorrow.

MR. SPEAKER: Tomorrow.

On motion, report received and adopted. Committee ordered to sit again on tomorrow.

MR. SPEAKER: Notices of Motion.

Notices of Motion

MR. SPEAKER: The hon. the Government House Leader on Notices of Motion.

MR. KING: Thank you, Mr. Speaker.

By leave, I give notice of Committees for Estimates and the composition for these Committees.

The Resource Committee will consider of members for the following districts: Grand-Windsor – Green Bay South; The Straits – White Bay North; Bonavista North; Labrador West; Carbonear – Harbour Grace; Fortune Bay – Cape La Hune; and Signal Hill – Quidi Vidi.

The Government Services Committee will consist of the members for the districts of: Exploits; Mount Pearl South; Kilbride; Bellevue; Cape St. Francis; St. John's East; and Trinity – Bay de Verde.

The Social Services Committee will consist of members for the following districts: Port de Grave; Port au Port; Cartwright – L'Anse au Clair; St. John's Centre; Bonavista South; Baie Verte – Springdale; and St. John's North.

Mr. Speaker, I also give notice, and by leave, that the following heads of expenditure be referred to the Resource Committee, the expenditures for: Advanced Education and Skills; Business, Tourism, Culture and Rural Development; Environment and Conservation

and Climate Change and Energy Efficiency; Fisheries and Aquaculture; Forestry and Agrifoods; and Natural Resources.

I also give notice that the following heads will be referred to the Social Services Committee: the Department of Child, Youth and Family Services; Education and Early Childhood Development; Health and Community Services and Office of Public Engagement; Justice and Public Safety; Municipal and Intergovernmental Affairs and the Labour Relations Agency; Newfoundland and Labrador Housing Corporation; and Seniors, Wellness and Social Development.

As well, the following shall be referred to the Government Services Committee: the Department of Finance and the Public Service Commission; Government Purchasing Agency; Service Newfoundland and Labrador; and the Department of Transportation and Works.

Mr. Speaker, I also give notice to members that on Monday, May 3, 2015, the Government Services Committee will meet in the House at 9:00 a.m. to review the Estimates of the Government Purchasing Agency.

Also on Monday, the Social Services Committee will meet in this House at 6:00 p.m. to review Estimates of the Department of Seniors, Wellness and Social Development.

Thank you.

MR. SPEAKER: Further notices of motion?

The hon. the Minister of Finance.

MR. WISEMAN: Thank you, Mr. Speaker.

I give notice that I will move that the House resolve itself into a Committee of the Whole to consider a resolution respecting the imposition of tax on income, Bill 6.

Mr. Speaker, I give further notice that I will ask leave to introduce a bill entitled, An Act To Amend The Revenue Administration Act, Bill 7.

Mr. Speaker, I also give notice that I will ask leave to introduce a bill entitled, An Act To Amend The Service Charge Act, Bill 8.

MR. SPEAKER: Further notices of motion?

The hon. the Government House Leader.

MR. KING: Thank you, Mr. Speaker.

At this time I move, seconded by the hon. the Premier, that further Orders of the Day be deferred and the House do now adjourn.

MR. SPEAKER: The motion is that this House do now adjourn.

All those in favour, 'aye.'

SOME HON. MEMBERS: Aye.

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

Carried.

This House now stands adjourned until Monday, at 1:30 o'clock.

On motion, the House at its rising adjourned until tomorrow, Monday, at 1:30 p.m.